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POVERTY PROFILE 1988

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POVERTY PROFILE
1988

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INTRODUCTION

Poverty in Canada has been a see-saw affair over the past two decades. It declined during the 'seventies, increased during the early 'eighties as a result of the recession and eased in 1985 and 1986, the most recent years for which statistics are available.

In 1969 4,851,000 women, men and children - close to one-quarter of the population - were below the poverty line. By 1981 the number of people with low incomes had dropped to 3,495,000 or 14.7 percent of the population. The recession of 1981-82 brought rising unemployment which added 719,000 Canadians to the poverty rolls between 1981 and 1984. By 1984 the number of low-income Canadians hit 4,214,000 or 17.3 percent of the population.

Fortunately poverty has eased in the past few years. In 1985 it declined to 3,951,000 persons or 16.0 percent of the population. At last count (1986) 3,689,000 Canadians had incomes below the poverty line, which amounts to 14.9 percent of the population. More than half a million individuals (525,000) were removed from the ranks of the poor between 1984 and 1986.

The real success story is the reduction in poverty among Canada's elderly. In 1980 61.5 percent of unattached seniors were below the poverty line. By 1986 42.7 percent had low incomes - still high, but much better than at the beginning of the decade. The poverty rate for families with heads 65 or older declined from 41.4 percent in 1969 to 14.2 percent in 1980 and just 9.5 percent in 1986. Improvements in the retirement income system, such as the federal Guaranteed Income Supplement for the low-income elderly and the maturation of the Canada and Quebec Pension Plans, largely take the credit for fighting poverty among the aged.

Despite the welcome progress against poverty, 3.7 million Canadians remain poor, including more than a million children under age 16 (1,016,000 in 1986) or one child in every six.

Certain groups are particularly vulnerable to poverty. Over half (56.0 percent) of one-parent families headed by women are poor. Six in ten children being raised by a sole-support mother are poor. Four in ten unattached women (those who live alone or with non-relatives) are poor. Almost half of unattached Canadians below the age of 25 were poor at last count, as were 42.7 percent of the unattached elderly. Families headed by persons under 25 also face poor odds: three in ten had low incomes in 1986.

There are wide regional variations in poverty, just as there are in unemployment and average incomes. Newfoundland has the highest poverty rates (two in ten families and half of single Newfoundlanders have low incomes). Ontario has the lowest poverty rates, with fewer than one in ten families and three in ten unattached individuals living below the poverty line in 1986.

The 'feminization of poverty' is a striking long-term trend, although it has not increased during the 'eighties. In 1961 13.2 percent of low-income families were headed by women; by 1986 their proportion had almost tripled to 35.1 percent. Women comprise 61.6 percent of poor unattached individuals. Females are overrepresented among Canada's poor: they make up 56.1 percent of all children and adults living on low incomes as opposed to 50.8 percent of the population as a whole.

This report presents a detailed statistical portrait of poverty in Canada and looks both at poverty today and changes in poverty over time. The study also charts trends in average incomes and earnings and examines the unchanging unequal distribution of income.

DEFINITIONS

Every year Statistics Canada conducts a household survey of families and unattached individuals to obtain information on the distribution of income as well as the nature and extent of poverty in Canada. The survey on which this report is based, conducted in April of 1987, sampled 35,612 private households from all parts of the country except for the Yukon and Northwest Territories, Indian reserves and institutions (prisons, mental hospitals, homes for the elderly, and so on). As a result, the survey underestimates the true extent of poverty in this country. The study looked at incomes for the 1986 calendar year.

The 1986 statistics presented in this report are taken mainly from Statistics Canada's Income Distributions by Size in Canada, 1986. Data for earlier years are from previous editions of that document. Some of the statistics in this report are previously unpublished and were provided to the National Council of Welfare by Statistics Canada. The Council is grateful to officials at Statistics Canada for their assistance, though of course they are in no way responsible for our analysis and interpretation of the data.

The poverty statistics that follow are broken down according to families and unattached individuals. The survey which gathered the data defines a **family** as "a group of individuals sharing a common dwelling unit and related by blood, marriage or adoption". An **unattached individual** is a "person living alone or in a household where he/she is not related to other household members".

In families consisting of married couples with or without children, the husband is considered to be the **head.** In single-parent families with unmarried children, the parent is defined as the head, while

the member who is the major breadwinner is the head in one-parent families with married children. In families where relationships are neither husband-wife nor parent-child, the eldest member normally is considered as the head.

Income is money income reported by all family members 15 years or older from the following sources: wages and salaries (before deductions for income taxes, unemployment insurance and pension plans), net income from self-employment, investment income, government transfer payments (e.g., family allowances, the child tax credit, Old Age Security, provincial tax credits), pensions and miscellaneous (e.g., scholarships, alimony). The definition of income excludes gambling wins and losses, capital gains or losses, receipts from the sale of property or personal belongings, income tax refunds, loans received or repaid, lump sum settlements of insurance policies and income in kind (e.g., free meals, living accommodation, food or fuel produced on the family's or individual's own farm).

Statistics on the low-income population are calculated using Statistics Canada's **low income cut-offs** which are set at levels where, on average, 58.5 percent of income (20 percentage points above the average) goes to food, clothing and shelter. The low income cut-offs vary according to size of family and of community. We use the terms "low income cut-off" and "poverty line" synonymously.

The Appendix gives the low income lines used to produce the poverty statistics presented in this report. The National Council of Welfare's publication 1988 Poverty Lines explains the poverty lines and gives estimates for 1988 as well as final figures for 1980 through 1987.

A **poor** or **low-income** family (we use the terms synonymously) has an income below the poverty line, while a "non-poor"

family has an income above the poverty line. The same thing applies for unattached individuals.

The tables in the following two chapters give two types of information. The **number of poor** families and unattached individuals indicates the actual number of families or unattached persons in each category, while the **poverty rate** expresses the number of low-income families or unattached persons as a percentage of all families or unattached persons in a particular category. (The term "incidence of poverty" is sometimes used as a synonym for poverty rate). For example, there were an estimated 3,689,000 low-income Canadians in 1986 and they represented 14.9 percent of the total population (3,689,000 divided by 24.8 million). The higher the poverty rate, the greater the risk of poverty for a family or unattached individual in a given category.

The chapter entitled "The Changing Face of Poverty" is based on an analysis of changes in the composition of poverty as measured by poverty shares or distributions. The **distribution of poverty** is the percentage of the low-income population that is made up by families, unattached individuals or persons in different categories such as age, sex and employment status. For example, females make up 56.1 percent of low-income Canadians; since their share of all Canadians (poor and non-poor together) is only 50.8 percent, we can say that women are over-represented among the poor.

Figure 1
NUMBER OF CANADIANS BELOW
THE POVERTY LINE, 1980-1988

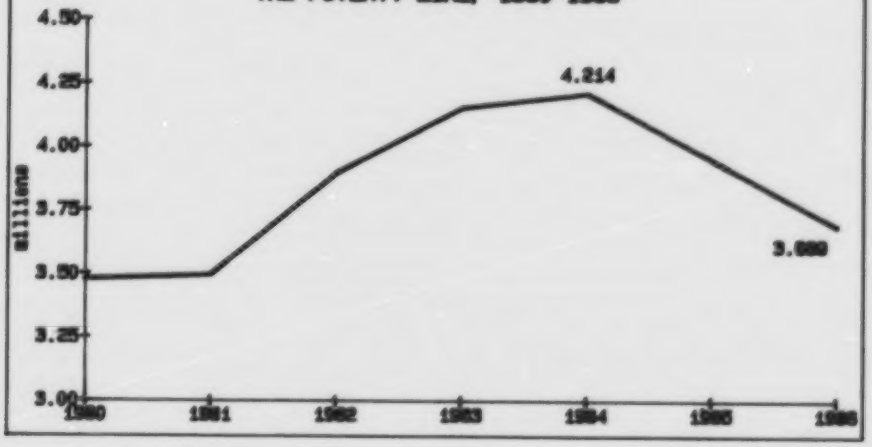
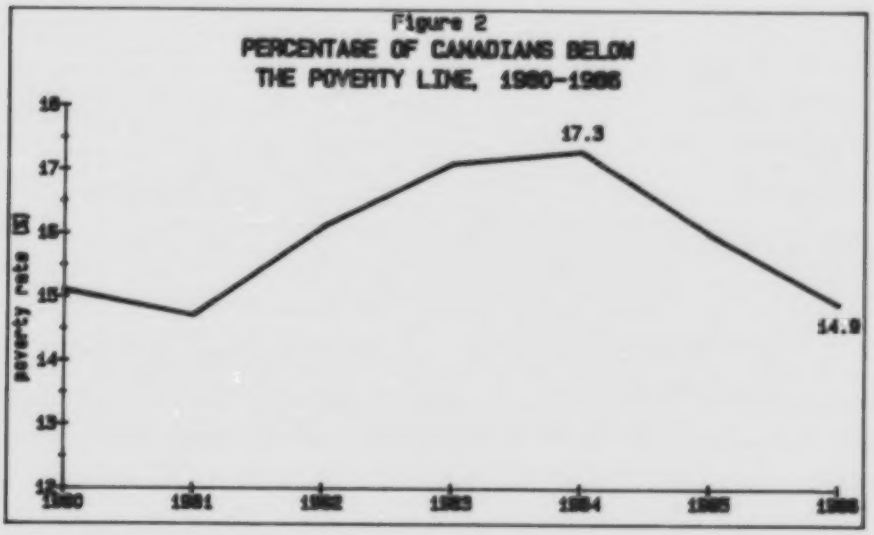


Figure 2
PERCENTAGE OF CANADIANS BELOW
THE POVERTY LINE, 1980-1988



POVERTY TRENDS

a. The General Picture (Table A, Figures 1 to 6)

At the end of the 'sixties, 23 percent of the Canadian population - one person in four - were below the poverty line. The most recent statistics, for 1986, show poverty at 14.9 percent - one Canadian in seven. The incidence of poverty was cut by one-third from 1969 to 1986.

TABLE A

POVERTY TRENDS, 1969-1986

	Families		Unattached Individuals		All Persons	
	Poverty Rate	Number	Poverty Rate	Number	Poverty Rate	Number
1969	20.8%	1,002,000	42.8%	693,000	23.1%	4,851,000
1979	13.1	788,000	40.3	1,011,000	15.7	3,728,000
1980	12.2	745,000	39.6	1,041,000	15.1	3,475,000
1981	12.0	768,000	37.8	962,000	14.7	3,495,000
1982	13.2	869,000	37.4	998,000	16.1	3,897,000
1983	14.0	924,000	41.3	1,091,000	17.1	4,155,000
1984	14.5	972,000	37.8	1,026,000	17.3	4,214,000
1985	13.3	908,000	36.8	1,009,000	16.0	3,951,000
1986	**12.3**	**851,000**	**34.3**	**982,000**	**14.9**	**3,689,000**
Percentage Change						
1969/86	-40.9%	-15.1%	-19.9%	41.7%	-35.5%	-24.0%
1980/86	0.8	14.2	-13.4	-5.7	-1.3	6.2
1985/86	-7.5	-6.3	-6.8	-2.7	-6.9	-6.6

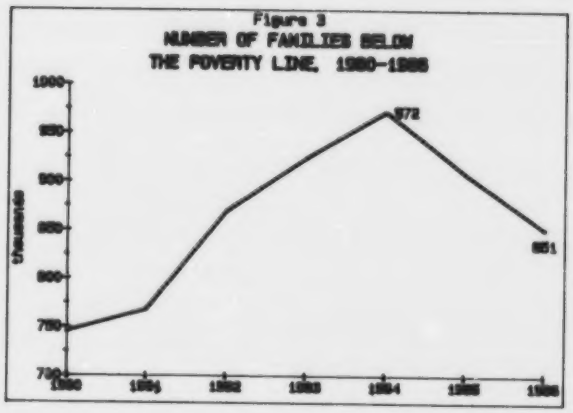


Figure 3
NUMBER OF FAMILIES BELOW
THE POVERTY LINE, 1980-1988
thousands
972
851

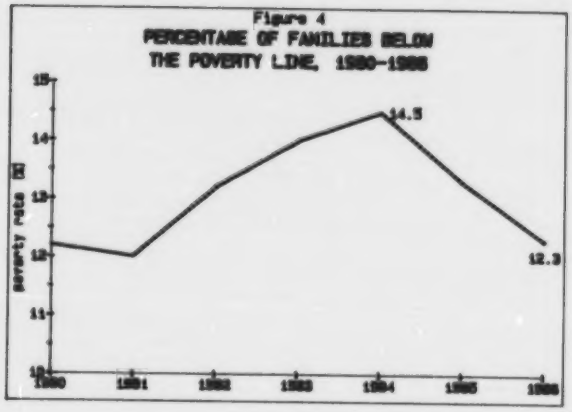


Figure 4
PERCENTAGE OF FAMILIES BELOW
THE POVERTY LINE, 1980-1988
poverty rate (%)
14.5
12.3

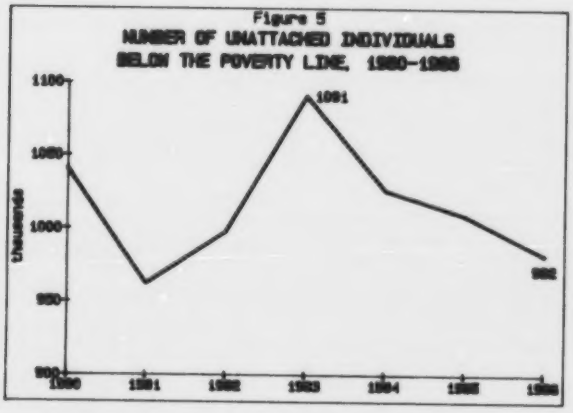


Figure 5
NUMBER OF UNATTACHED INDIVIDUALS
BELOW THE POVERTY LINE, 1980-1988
thousands
1091

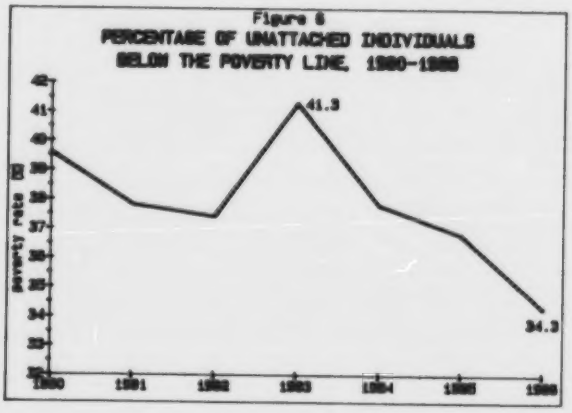


Figure 6
PERCENTAGE OF UNATTACHED INDIVIDUALS
BELOW THE POVERTY LINE, 1980-1988
poverty rate (%)
41.3
34.3

While poverty declined during the 'seventies, it increased substantially during the first half of the 'eighties as a result of the recession of 1981/82. However poverty has eased over the past few years.

In 1980 3,475,000 women, men and children lived below the poverty line - 15.1 percent of all Canadians. Their ranks swelled steadily and significantly until they reached 4,214,000 or 17.3 percent of the population in 1984. Fortunately the number and percentage of poor Canadians has fallen since to 3,951,000 and 16.0 percent in 1985 and 3,689,000 or 14.9 percent in 1986. Figure 1 traces the trend in the number of low-income Canadians from 1980 to 1986, while Figure 2 shows the overall poverty rate.

The up-and-down trend in family poverty is similar. The percentage of Canadian families with low incomes fell from 20.8 percent in 1969 to 12.0 percent in 1981, rose to 14.5 percent by 1984 and then eased to 13.3 percent in 1985 and 12.3 percent in 1986. The number of families below the poverty line went from 745,000 in 1980 to 972,000 in 1984 and declined to 908,000 in 1985 and 851,000 in 1986. Figures 3 and 4 plot the trends.

The poverty rate has fluctuated for unattached Canadians, as indicated in Figure 5. It peaked at 41.3 percent in 1983 and fell to a low of 34.3 percent in 1986. However close to a million (982,000) unattached individuals - one in three - are below the poverty line. They are three times more likely to be poor than persons who live in families (34.3 percent as opposed to 12.3 percent).

b. Poverty by Province (Tables B to D, Figures 7 to 25)

Table B summarizes the latest low-income statistics for each province. Ontario and Newfoundland are at opposite ends of the poverty spectrum.

The family poverty rate ranges widely from a low of 8.7 percent in Ontario to a high of 21.2 percent in Newfoundland. The percentage of low-income unattached individuals varies from 28.3 percent in Ontario to 49.1 percent in Newfoundland. The poverty rate for all persons - women, men and children together - goes from 10.8 percent in Ontario to 22.8 percent in Newfoundland.

TABLE B

POVERTY BY PROVINCE, 1986

	Families		Unattached Individuals		All Persons	
	Poverty Rate	Number	Poverty Rate	Number	Poverty Rate	Number
Newfoundland	21.2%	30,600	49.1%	12,800	22.8%	128,300
P.E.I.	9.8	3,400	41.8	4,900	13.1	16,500
Nova Scotia	14.5	33,200	35.9	29,500	16.3	134,900
New Brunswick	14.3	27,200	37.4	22,600	16.2	110,500
Quebec	15.3	285,100	44.6	329,000	18.1	1,192,000
Ontario	8.7	216,200	28.3	292,600	10.8	969,200
Manitoba	14.5	40,800	30.2	38,300	17.7	180,600
Saskatchewan	16.4	42,600	33.2	40,300	19.8	189,700
Alberta	10.7	66,400	31.0	81,500	13.5	306,100
B.C.	13.3	105,500	33.0	131,600	16.3	461,600
Canada	12.3%	851,000	34.3%	982,000	14.9%	3,689,00

Figure 7
PERCENTAGE OF FAMILIES BELOW
THE POVERTY LINE, BY PROVINCE, 1988

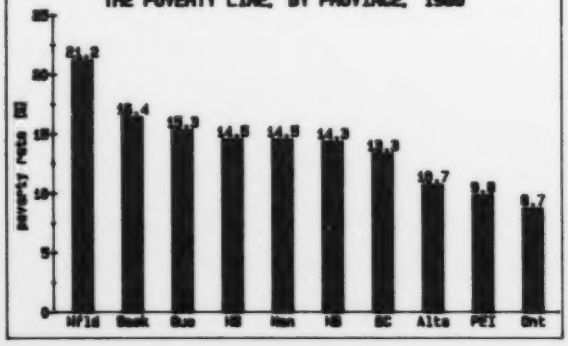


Figure 8
PERCENTAGE OF UNATTACHED INDIVIDUALS BELOW
THE POVERTY LINE, BY PROVINCE, 1988

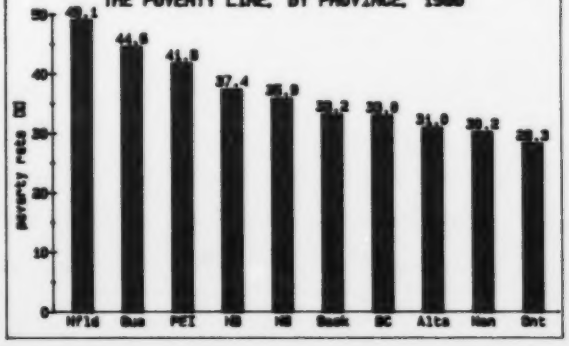


Figure 9
PERCENTAGE OF PERSONS BELOW
THE POVERTY LINE, BY PROVINCE, 1988

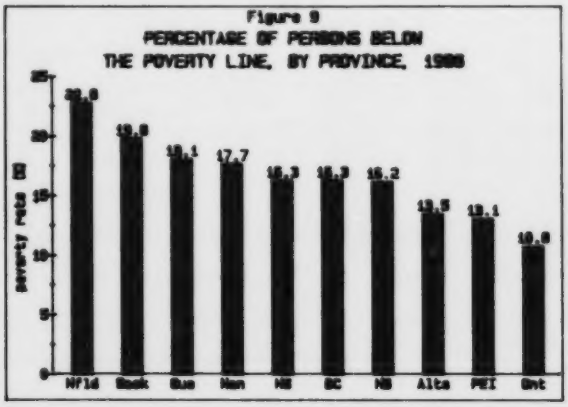


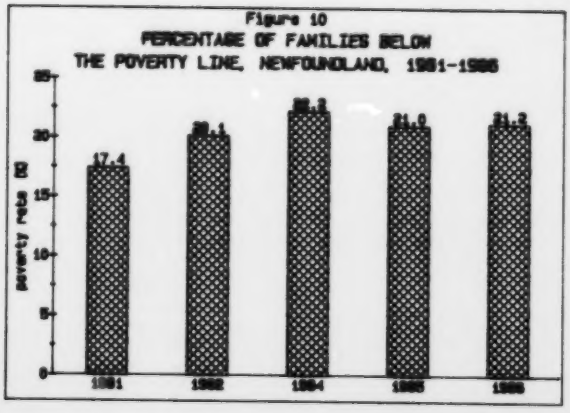
TABLE C

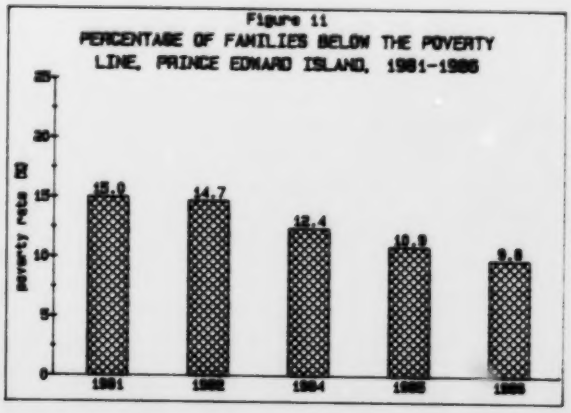
FAMILY POVERTY, BY PROVINCE, 1981 AND 1986

	1981		1986		Percentage Change 1981/1986	
	Poverty Rate	Number	Poverty Rate	Number	Poverty Rate	Number
Newfoundland	17.4%	23,000	21.2%	30,600	21.8%	33.0%
P.E.I.	15.0	4,600	9.8	3,400	-34.7	-26.1
Nova Scotia	15.4	32,300	14.5	33,200	-5.8	2.8
New Brunswick	17.6	31,500	14.3	27,200	-18.8	-13.7
Quebec	14.8	253,400	15.3	285,100	3.4	12.5
Ontario	9.9	229,600	8.7	216,200	-12.1	-5.8
Manitoba	14.5	38,400	14.5	40,800	0.0	6.3
Saskatchewan	14.9	36,900	16.4	42,600	15.3	15.4
Alberta	8.3	49,200	10.7	66,400	28.9	35.0
B.C.	9.4	69,100	13.3	105,500	41.5	52.7
Canada	12.0%	768,000	12.3%	851,000	2.5%	10.8%

All provinces except Prince Edward Island experienced an increase in family poverty as a result of the recession of the early 'eighties. Most provinces have seen a decline in family poverty since 1984, the exceptions being Manitoba and Saskatchewan which had the same percentage of low-income families in 1986 as 1984. Figures 10 through 19 show the trends in family poverty in each province during the 'eighties.

Table C compares the family poverty statistics in 1981 and 1986 for each province. In four provinces - Prince Edward Island, Nova Scotia, New Brunswick and Ontario - by 1986 family poverty had fallen below the rate for 1981. Manitoba had the same percentage of its families in poverty in 1981 and 1986. The remaining provinces still have higher rates of family poverty than when the recession began in the early 'eighties. Saskatchewan, Alberta and British Columbia have significantly higher rates of family poverty now than they did in 1981.





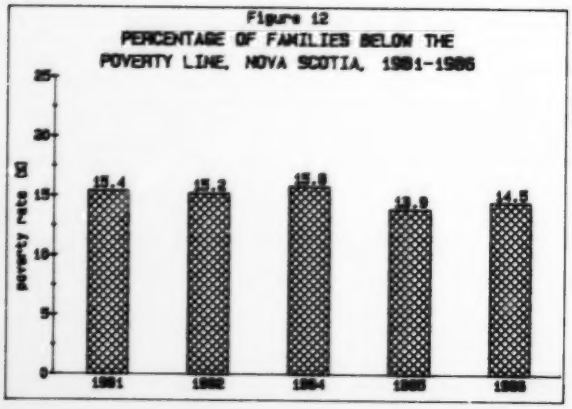


Figure 12
PERCENTAGE OF FAMILIES BELOW THE
POVERTY LINE, NOVA SCOTIA, 1981-1986
poverty rate (%)
0
5
10
15
20
25
15.4
15.2
15.8
13.9
14.5
1981
1982
1984
1985
1986

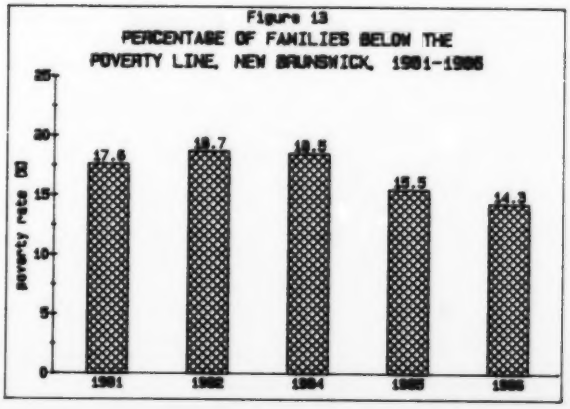


Figure 13
PERCENTAGE OF FAMILIES BELOW THE
POVERTY LINE, NEW BRUNSWICK, 1981-1986
poverty rate (%)
0
5
10
15
20
25
17.6
18.7
18.5
15.5
14.3
1981
1982
1984
1985
1986

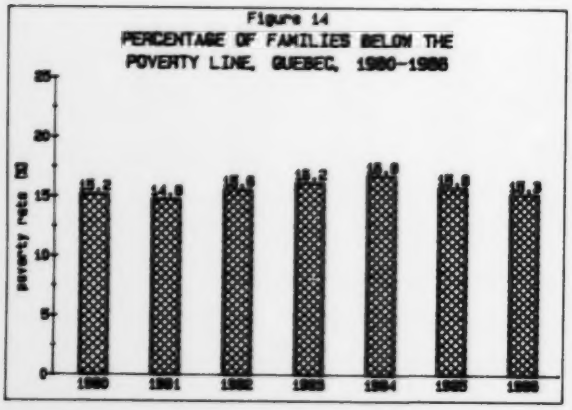


Figure 14
PERCENTAGE OF FAMILIES BELOW THE
POVERTY LINE, QUEBEC, 1980-1986
poverty rate (%)
0
5
10
15
20
25
15.2
14.8
15.8
16.2
17.8
15.8
15.8
1980
1981
1982
1983
1984
1985
1986

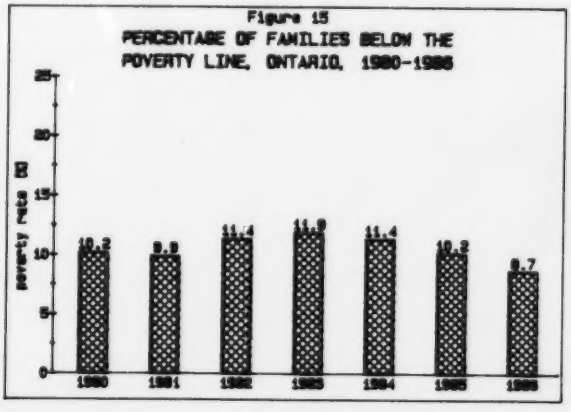


Figure 15
PERCENTAGE OF FAMILIES BELOW THE
POVERTY LINE, ONTARIO, 1980-1986
poverty rate (%)
0
5
10
15
20
25
10.2
9.9
11.4
11.9
11.4
10.2
8.7
1980
1981
1982
1983
1984
1985
1986

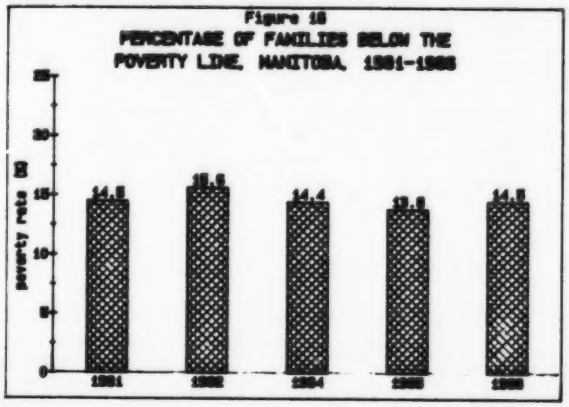


Figure 16
PERCENTAGE OF FAMILIES BELOW THE
POVERTY LINE, MANITOBA, 1981-1988
poverty rate (%)
14.8
15.6
14.4
13.6
14.8
1981
1982
1984
1985
1988

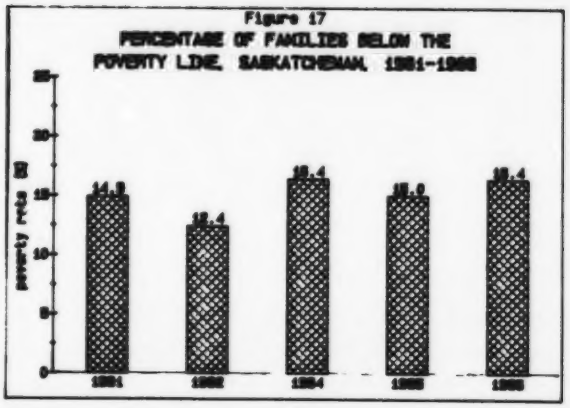


Figure 17
PERCENTAGE OF FAMILIES BELOW THE
POVERTY LINE, SASKATCHEWAN, 1981-1988
poverty rate (%)
14.8
12.4
16.4
14.9
16.4
1981
1982
1984
1985
1988

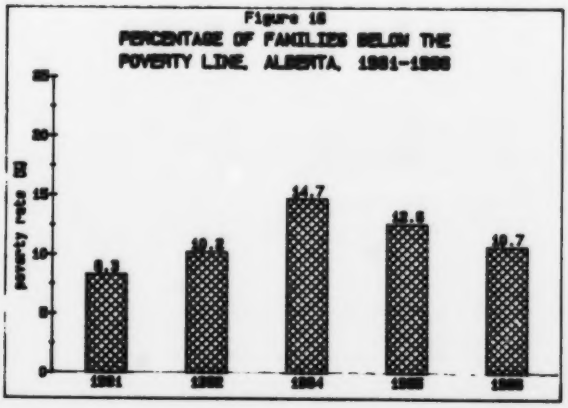


Figure 18
PERCENTAGE OF FAMILIES BELOW THE
POVERTY LINE, ALBERTA, 1981-1988
poverty rate (%)
8.3
10.2
14.7
12.5
10.7
1981
1982
1984
1985
1988

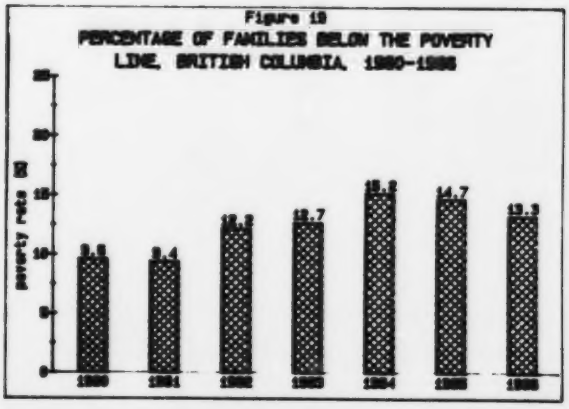


Figure 19
PERCENTAGE OF FAMILIES BELOW THE POVERTY
LINE, BRITISH COLUMBIA, 1980-1988
poverty rate (%)
9.6
9.4
12.5
12.7
15.2
14.7
13.3
1980
1981
1982
1983
1984
1985
1988

TABLE D

POVERTY AMONG UNATTACHED INDIVIDUALS, BY PROVINCE, 1981 AND 1986

	1981		1986		Percentage Change 1981/1986	
	Poverty Rate	Number	Poverty Rate	Number	Poverty Rate	Number
Newfoundland	42.7%	10,600	49.1%	12,800	15.0%	20.8%
P.E.I.	46.1	4,800	41.8	4,900	-9.3	2.1
Nova Scotia	42.9	31,700	35.9	29,500	-16.3	-6.9
New Brunswick	43.7	22,100	37.4	22,600	-14.4	2.3
Quebec	48.5	314,600	44.6	329,000	-8.0	4.6
Ontario	34.3	301,100	28.3	292,600	-17.5	-2.8
Manitoba	37.4	42,300	30.2	38,300	-19.3	-9.5
Saskatchewan	37.1	38,500	33.2	40,300	-10.5	4.7
Alberta	26.2	74,100	31.0	81,500	18.3	10.0
B.C.	34.1	122,200	33.0	131,600	-3.2	7.7
Canada	37.8%	962,000	34.3%	982,000	-9.3%	2.1%

Table D shows that unattached individuals in most provinces faced a lower risk of poverty in 1986 than in 1981. The notable exceptions are Newfoundland and Alberta, where substantially more unattached individuals are poor today than when the recession began.

Figures 20 through 29 illustrate the trends in poverty among unattached individuals in each province during the 'eighties.

Figure 20

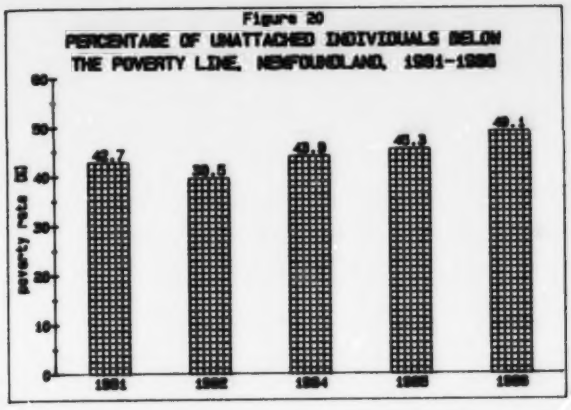


Figure 21

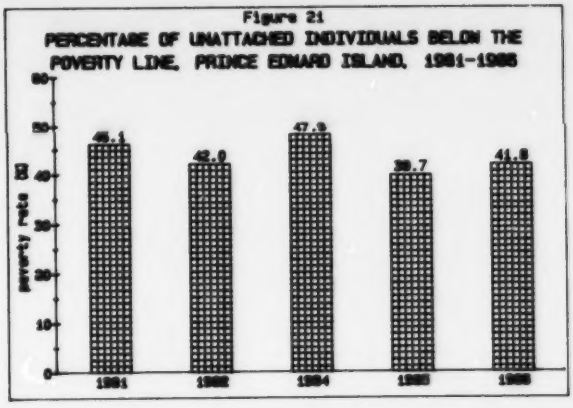


Figure 22

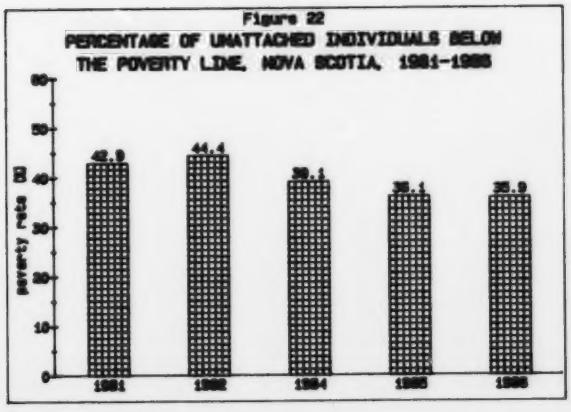


Figure 23

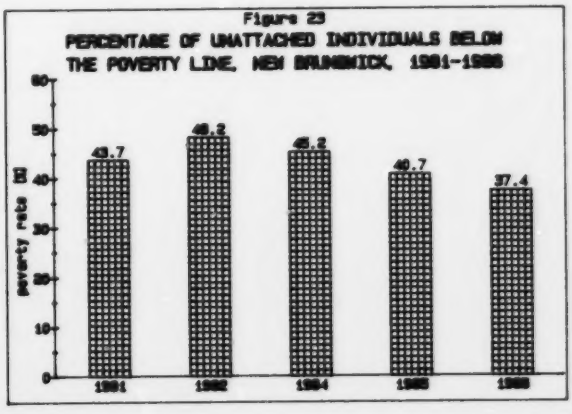
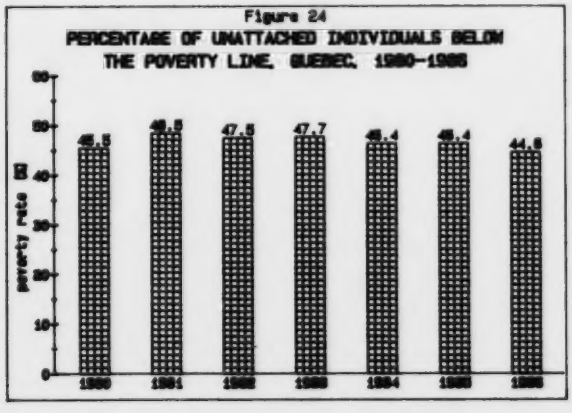


Figure 24



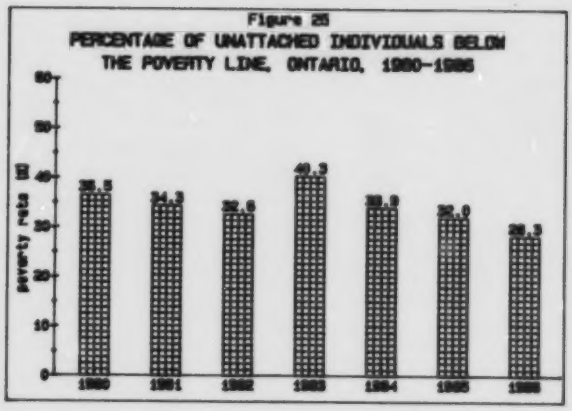


Figure 25
PERCENTAGE OF UNATTACHED INDIVIDUALS BELOW
THE POVERTY LINE, ONTARIO, 1980-1986
poverty rate (%)
35.5
34.3
32.6
40.3
33.9
32.0
28.3

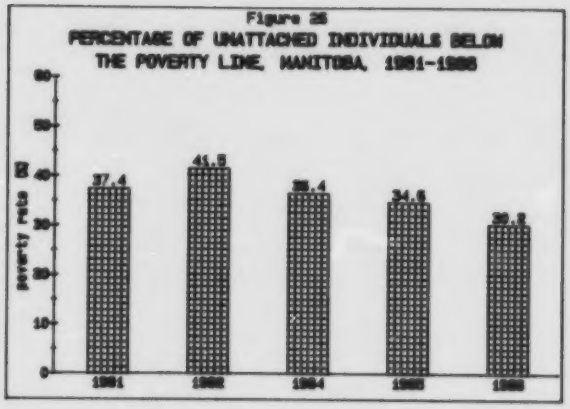


Figure 26
PERCENTAGE OF UNATTACHED INDIVIDUALS BELOW
THE POVERTY LINE, MANITOBA, 1981-1986
poverty rate (%)
37.4
41.5
36.4
34.6
29.6

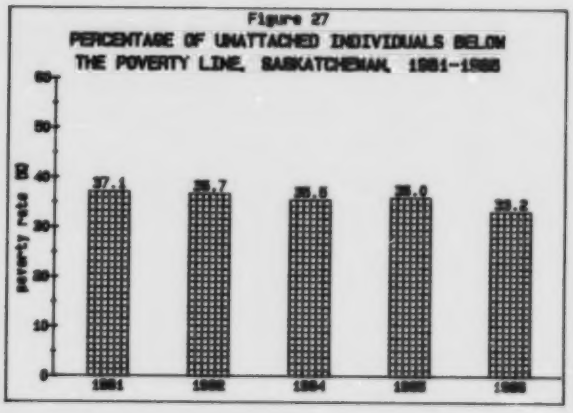


Figure 27
PERCENTAGE OF UNATTACHED INDIVIDUALS BELOW
THE POVERTY LINE, SASKATCHEWAN, 1981-1986
poverty rate (%)
37.1
36.7
35.5
36.0
33.2

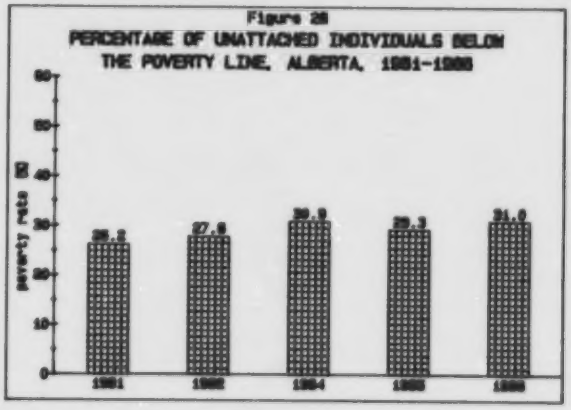


Figure 28
PERCENTAGE OF UNATTACHED INDIVIDUALS BELOW
THE POVERTY LINE, ALBERTA, 1981-1986
poverty rate (%)
26.2
27.8
30.9
29.3
31.0

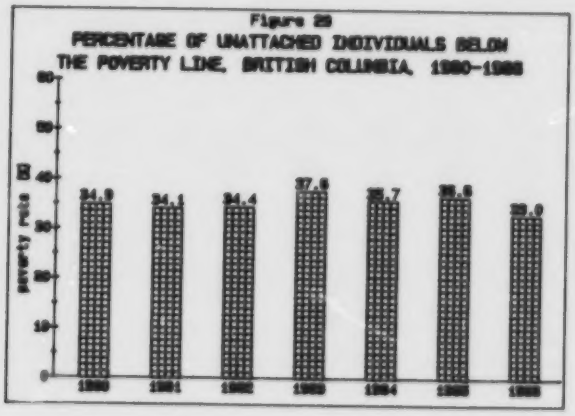


Figure 29
PERCENTAGE OF UNATTACHED INDIVIDUALS BELOW
THE POVERTY LINE, BRITISH COLUMBIA, 1980-1986
poverty rate (%)
34.9
34.1
34.4
37.6
35.7
35.6
32.9

c. Poverty by Sex (Tables E to G, Figures 30 and 31)

Four in ten families headed by women are poor, compared to only one in ten led by men. An estimated 298,700 families headed by women - 38.7 percent of all female-led families - had low incomes in 1986. The comparable poverty figures for families with male heads were 552,300 and 9.0 percent. (There are more poor male-led families, even though their poverty rate is much lower than that of families led by women, simply because there are so many more families in general headed by men).

Families led by women run over four times the risk of poverty as families with male heads. The poverty gap between female-led and male-led families has not narrowed appreciably since 1980.

TABLE E

TRENDS IN FAMILY POVERTY, BY SEX OF HEAD, 1980-1986

	Female Head		Male Head	
	Rate	Number	Rate	Number
1980	43.2%	263,700	8.8%	481,300
1981	38.1	259,600	8.9	508,400
1982	41.9	303,300	9.7	565,700
1983	43.4	310,500	10.4	613,500
1984	42.5	332,400	10.8	639,600
1985	42.3	331,400	9.5	576,600
1986	**38.7**	**298,700**	**9.0**	**552,300**
Percentage Change				
1980/86	-10.4%	13.3%	2.3%	14.8%
1985/86	-8.5	-9.9	-5.3	-4.2

Unattached women run a greater risk of poverty than unattached men, though the gap between them is not as wide as it is for families headed by women and by men. Table F indicates that four in ten unattached women were poor in 1986 compared to three in ten unattached men. The percentage of unattached women living in poverty declined from 1983 to 1986, in part due to the significant reduction in poverty among the unattached elderly (discussed later). The poverty rate for unattached men increased from 1981 to 1983 but decreased from 1983 to 1986.

TABLE F

TRENDS IN POVERTY, UNATTACHED INDIVIDUALS, BY SEX, 1980-1986

	Women		Men	
	Rate	Number	Rate	Number
1980	47.4%	696,400	29.7%	344,600
1981	45.0	644,500	28.5	317,500
1982	42.4	629,700	31.3	368,300
1983	46.6	688,400	34.6	402,600
1984	42.7	632,000	32.0	394,000
1985	41.9	631,600	30.5	377,400
1986	**38.5**	**604,900**	**29.2**	**377,100**
Percentage Change				
1980/86	-18.8%	-13.1%	-1.7%	-9.4%
1985/86	-8.1	-4.2	-4.3	-0.1

Figure 30
PERCENTAGE OF FAMILIES BELOW THE POVERTY LINE, BY SEX OF HEAD, 1980-1988

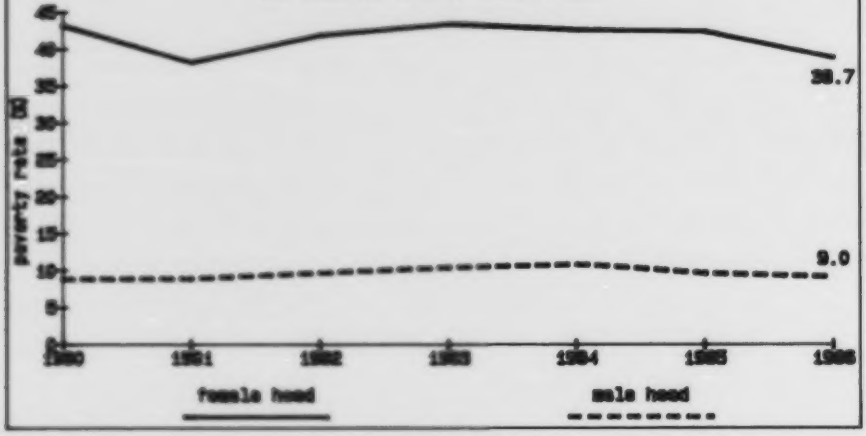
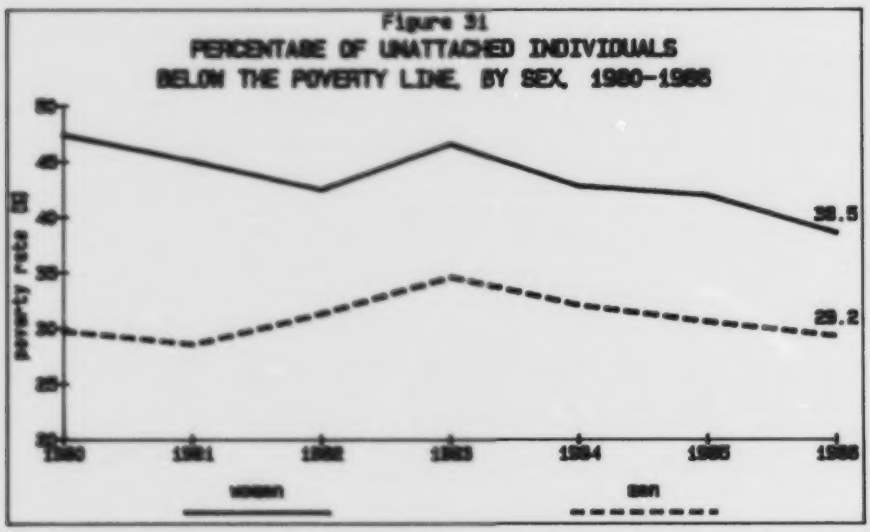


Figure 31
PERCENTAGE OF UNATTACHED INDIVIDUALS BELOW THE POVERTY LINE, BY SEX, 1980-1988



Data on the total number of low-income Canadians (including children) of each sex are given below. Table G shows that two million females were poor at last count. They accounted for 56.1 percent of low-income Canadians but only 50.8 percent of all Canadians. Women are even more overrepresented among the elderly poor: they comprise 71.7 percent of all seniors below the poverty line - much more than their 57.3 percent share of the entire (poor and non-poor) aged population.

TABLE G

POOR CANADIANS, BY SEX AND GENERATION, 1986

	Female		Male		All	
	Number	Percentage Distribution	Number	Percentage Distribution	Number	Percentage Distribution
Children (under 16)	487,700	48.0%	528,300	52.0%	1,016,000	100.0%
Adults (16 - 64)	1,236,900	56.4	956,100	43.6	2,193,000	100.0
Elderly (65 and Older)	344,200	71.7	135,800	28.3	480,000	100.0
TOTAL	2,069,500	56.1%	1,619,500	43.9%	3,689,000	100.0%

d. Child Poverty (Tables H to L, Figures 32 to 34)

Families with children experienced a substantial increase in poverty as a result of the recession, though the situation improved in 1985 and 1986. However family poverty rates still have not returned to their pre-recession levels.

Table H gives the trends in poverty according to the number of children under age 16 in the family. For all families, poverty peaked in 1984 and has declined since. However only childless couples had a lower poverty rate in 1986 than in 1980; families with children still run a higher risk of poverty now than at the start of the decade.

Childless couples are much less likely to be poor than are families with children. The poverty rate for families with one and two children is double that for families with no children. Families with three or more children have a high poverty rate - 21.5 percent, which means that one in every five are below the poverty line.

Table I compares the composition of poor and all families according to the number of children. One in three low-income families has no children (36.7 percent) compared to over half of all families (53.4 percent). Clearly, then, **the majority of low-income families have children, while less than half of all families now have children to support.** (Note, however, that Table I includes older families which are beyond normal child-rearing years). Among families with children, those with only one child are the largest category for both low-income and all families, followed by families with two children and those with three or more children.

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TABLE H

**TRENDS IN FAMILY POVERTY,
BY NUMBER OF CHILDREN, 1980-1986**

	Number of Poor Families							
	No Children		1 Child		2 Children		3 or More Children	
	Rate	Number	Rate	Number	Rate	Number	Rate	Number
1980	9.5%	283,100	14.5%	181,000	13.6%	176,600	18.5%	103,600
1981	8.7	275,700	13.9	191,200	13.7	175,100	21.6	126,000
1982	8.9	296,300	16.4	226,800	16.2	212,000	24.6	133,800
1983	9.8	329,900	17.0	243,000	17.1	217,100	24.6	134,900
1984	9.7	339,200	18.7	258,600	17.8	233,300	25.9	140,900
1985	8.8	316,900	17.0	232,400	16.8	226,100	25.2	131,700
1986	**8.5**	**312,300**	**16.4**	**224,700**	**15.2**	**195,700**	**21.5**	**118,300**
Percentage Change								
1980/86	-10.5%	10.3%	13.1%	24.1%	11.8%	10.8%	16.2%	14.2%
1985/86	-3.4	-1.5	-3.5	-3.3	-9.5	-13.4	-14.7	-10.2

TABLE I

DISTRIBUTION OF POOR AND ALL FAMILIES, BY NUMBER OF CHILDREN, 1986

	Poor Families		All Families	
	Number	Percentage	Number	Percentage
No children	312,300	36.7%	3,682,500	53.4%
One child	224,700	26.4	1,372,300	19.9
Two children	195,700	23.0	1,289,600	18.7
Three or more children	118,300	13.9	551,700	8.0
Total	851,000	100.0%	6,896,000	100.0%

TABLE J

POVERTY TRENDS, CHILDREN UNDER 16, 1980-1986

	Number of Poor Children	Number of All Children	Poverty Rate
1980	896,000	5,983,200	15.0%
1981	969,000	5,886,400	16.5
1982	1,113,000	5,865,900	19.0
1983	1,131,000	5,847,300	19.3
1984	1,209,000	5,816,200	20.8
1985	1,126,000	5,787,200	19.5
1986	**1,016,000**	**5,759,100**	**17.6**
Percentage Change			
1980/86	13.4%	-3.7%	17.3%
1985/86	-9.8	0.5	-9.7

Child poverty rose sharply with the recession and has eased somewhat in the past few years, though it is still widespread. At last count more than a million children under the age of 16 - 1,016,000 - lived in low-income families. One child in six is poor.

Table J shows that the number of poor children increased from 896,000 in 1980 to 1,209,000 in 1984 and subsided to 1,016,000 in 1986. Even with the decline in 1985 and 1986, there were still many more poor children in 1986 than in 1980. The number of low-income children increased by 13.4 percent between 1980 and 1986, whereas the overall child population fell by 3.7 percent during the same period.

Figure 32
NUMBER OF POOR CHILDREN
UNDER AGE 18, 1980-1988

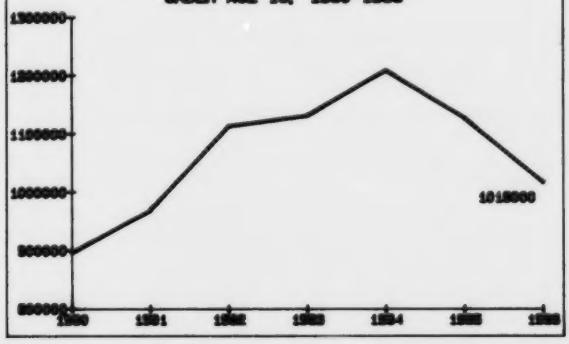


Figure 33
PERCENTAGE OF CHILDREN UNDER AGE 18
BELOW THE POVERTY LINE, 1980-1988

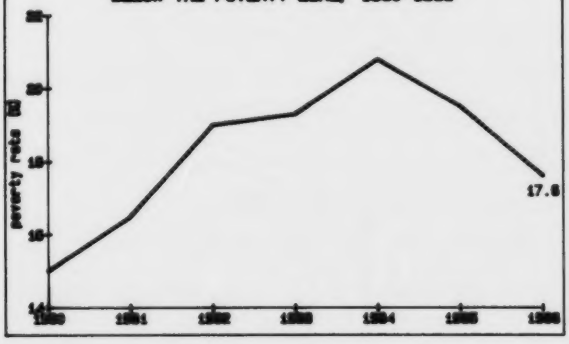


Figure 34
PERCENTAGE OF CHILDREN UNDER AGE 18
BELOW THE POVERTY LINE, BY PROVINCE, 1988

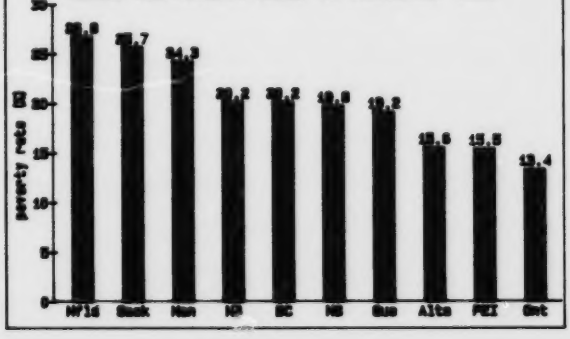


Figure 32 plots the trend in the number of low-income children under age 16 from 1980 to 1986 and Figure 33 gives child poverty rates.

Figure 34 ranks child poverty according to province. In 1986 Newfoundland had the highest proportion of poor children - 26.8 percent lived in low-income families - and Ontario, at 13.4 percent, had the lowest rate of child poverty. Table K, below, gives both the number and percentage of all low-income children in each province, as well as those being raised by two parents and by single-parent mothers. (Due to insufficient sample size, estimates of the number and percentage of children in single-parent families led by men in each province are not available).

TABLE K

CHILD POVERTY, BY PROVINCE AND TYPE OF FAMILY, 1986

	Poor Children Under Age 16					
	All Families		Couples		Female Single Parents	
	Number	Percent	Number	Percent	Number	Percent
Nfld.	44,600	26.8%	34,500	23.5%	7,800	72.9%
P.E.I.	5,100	15.5	3,500	12.0	1,300	49.8
N.S.	39,000	19.8	20,900	12.4	15,200	70.9
N.B.	33,600	20.2	19,700	13.7	12,900	76.4
Que.	282,100	19.2	181,200	14.1	89,300	64.1
Ont.	268,700	13.4	151,900	8.6	105,500	55.3
Man.	58,600	24.3	36,400	17.8	19,700	69.6
Sask.	64,600	25.7	42,200	19.4	19,600	68.7
Alta.	93,600	15.6	55,200	10.7	34,000	51.3
B.C.	126,300	20.2	65,000	12.3	55,900	70.5
CANADA	1,016,000	17.6%	610,400	12.2%	361,000	61.8%

Table K also shows wide interprovincial variations in child poverty for two-parent families and one-parent families headed by women. Child poverty among couples ranged from 23.5 percent in Newfoundland to 8.6 percent in Ontario; 34,500 or 23.5 percent of all (146,800) children living in two-parent families are poor in Newfoundland, compared to 151,900 or only 8.6 percent of Ontario's 1,766,300 children being raised in two-parent households. Newfoundland also has the highest child poverty rate for single-parent families led by women - 7,800 or 72.9 percent of all children being raised by sole-support mothers were poor in 1986 - while Prince Edward Island, at 49.8 percent, has the lowest rate, if one-half can be considered a 'low' figure.

Of the total 1,016,000 low-income children in Canada, 610,400 or 60.1 percent live in two-parent families; 361,000 or 35.5 percent are being raised by female single parents; the remaining 44,600 live with sole-support fathers. The comparable breakdown for all children (poor and non-poor together) are: 86.5 percent in two-parent families (4,995,550 children), 10.1 percent in female one-parent families (583,800 children) and 4.4 percent in father-led single-parent families (193,400 children).

Table L shows the number and percentage of low-income boys and girls under age 16 from 1981 through 1986, as well as the total number of boys and girls (i.e., poor and non-poor together). The poverty rate for girls under 16 - 17.5 percent in 1986 - is virtually the same as for boys - 17.7 percent. For both girls and boys, poverty rose significantly from 1981 to 1984 and eased in 1985 and 1986.

TABLE 1

CHILD POVERTY, BY SEX, 1981-1986

Children Under 16

	Girls			Boys		
	Number Poor	Poverty Rate	Number All	Number Poor	Poverty Rate	Number All
1981	470,000	16.6%	2,830,700	499,000	16.4%	3,042,100
1982	555,400	19.7	2,814,600	557,600	18.5	3,012,700
1983	529,300	19.0	2,778,700	601,700	20.3	2,962,400
1984	579,100	20.7	2,801,600	629,900	20.9	3,010,900
1985	548,400	19.5	2,812,100	577,600	19.5	2,962,200
1986	**487,700**	**17.5**	**2,788,200**	**528,300**	**17.7**	**2,984,500**
Percentage Change						
1981/1986	3.8%	5.3%	-1.5%	5.9%	7.9%	-1.9%
1985/1986	-11.1	-10.3	-0.9	-8.5	-9.2	0.8

e. Single Parents and Couples With Children (Table M, Figures 35 to 37)

TABLE M

TRENDS IN POVERTY, SINGLE PARENTS AND COUPLES WITH CHILDREN, 1981-1986

	Female Single Parents		Male Single Parents		Couples With Children	
	Rate	Number	Rate	Number	Rate	Number
1981	52.8%	199,000	15.5%	9,000	9.5%	289,000
1982	57.1	236,000	22.2	14,000	11.2	339,000
1983	59.3	232,000	27.1	13,000	12.0	358,000
1984	59.6	258,000	27.1	16,000	12.4	366,000
1985	60.3	261,000	26.8	15,000	11.1	332,000
1986	**56.0**	**233,000**	**22.9**	**16,000**	**10.4**	**309,000**
Percentage Change						
1981/1986	6.1%	17.1%	47.7%	77.8%	9.5%	6.9%
1985/1986	-7.1	-10.7	-14.6	6.7	-6.3	-6.9

Note: Family heads are under age 65, children under age 18.

More than half of single-parent families led by women - 56.0 percent or 233,000 - had incomes below the poverty line at last count. Two in ten single-parent families headed by men - 22.9 percent or 16,000 - and only one in ten couples were poor in 1986. **Sole-support mothers face five times the risk of poverty as two-parent families.**

Fortunately family poverty has subsided since the mid-'eighties.

Figure 35 shows that the upward march of poverty among single-parent families headed by women peaked in 1985 and declined significantly in 1986. The poverty rates for male single parents and couples with children fell in 1985 and 1986, as illustrated in Figures 36 and 37.

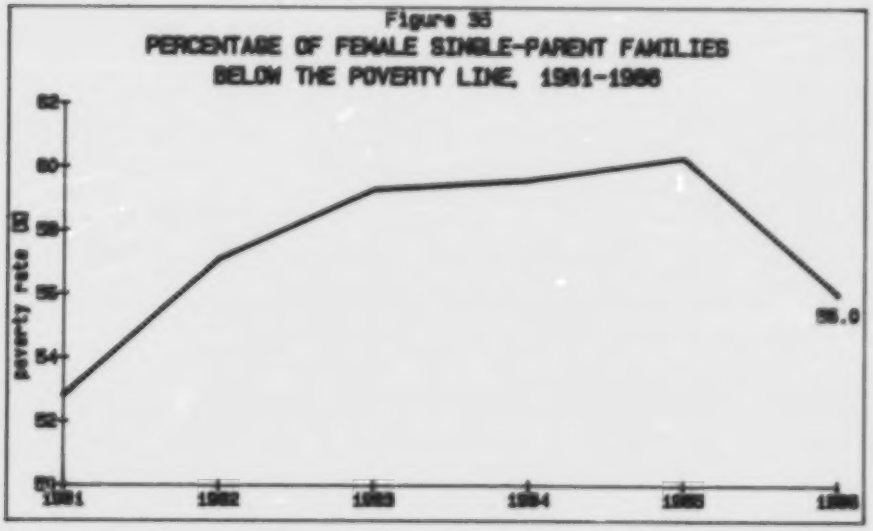


Figure 36
PERCENTAGE OF MALE SINGLE-PARENT FAMILIES
BELOW THE POVERTY LINE, 1981-1986

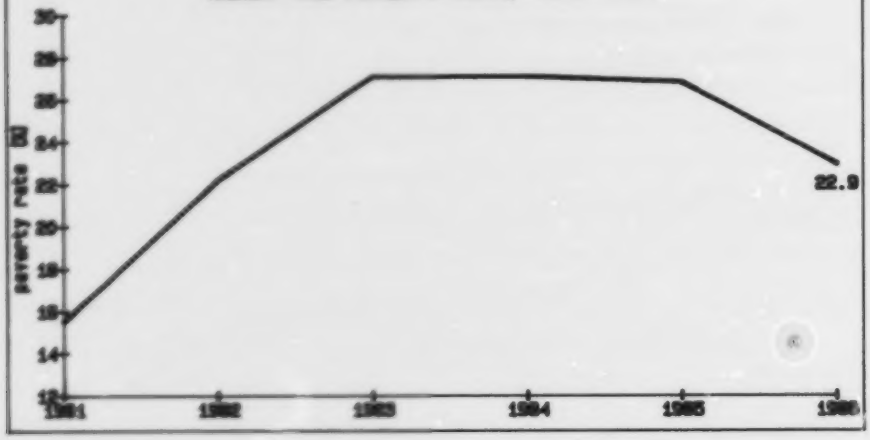
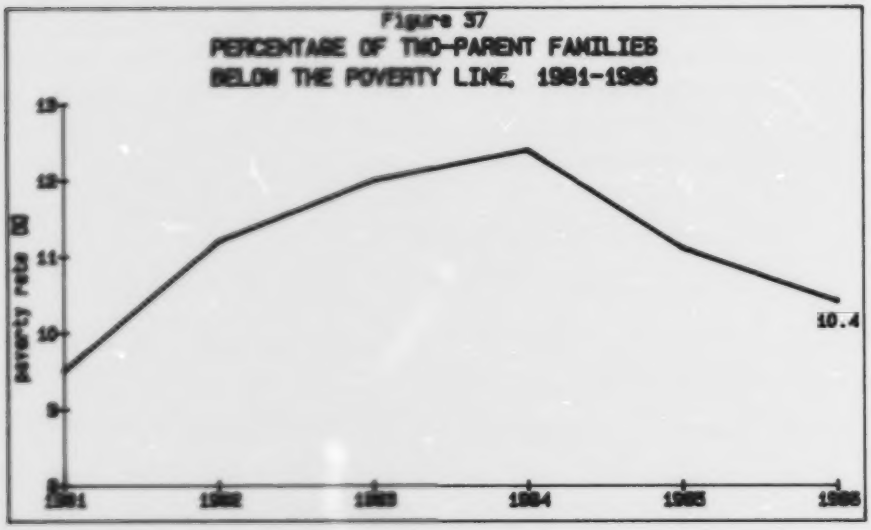
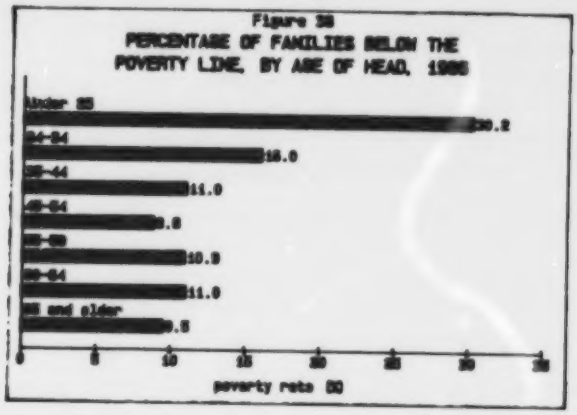


Figure 37
PERCENTAGE OF TWO-PARENT FAMILIES
BELOW THE POVERTY LINE, 1981-1986



f. Age (Tables N to P, Figures 38 to 40)



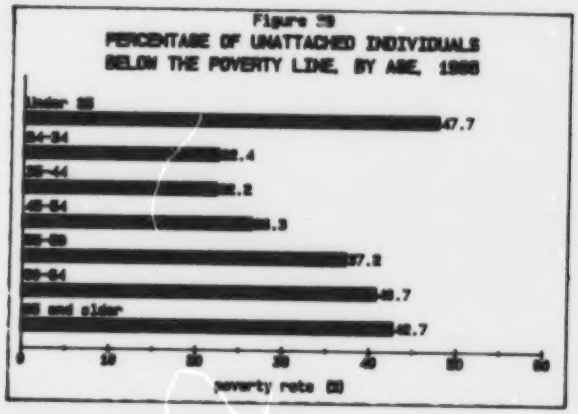


Figure 38 shows that families led by persons under age 25 are much more likely to live on low incomes than families with older heads. The risk of poverty declines until middle age (only 8.8 percent of families with heads from 45 to 54 were poor in 1986) and increases for those aged 55 to 64 (to 11.0 percent) but is only 9.5 percent for families with elderly heads.

Young and older unattached Canadians face a high risk of poverty - almost half of singles under age 25 and four in ten of the unattached elderly and those between 55 and 64 live below the poverty line. Figure 39 illustrates the poverty rates.

Poverty increased significantly in the early 'eighties among non-aged families but generally subsided after 1984. Table N shows that the poverty rate for families headed by persons under age 25 went from 21.2 percent in 1980 to 34.7 percent in 1983; eased to 30.1 percent in 1984; moved up again to 32.0 percent in 1985; and declined to 30.2 percent in 1986 - still substantially higher than in 1980. Families led by Canadians in the 25 to 34 age range are still more likely to be poor than they were in 1980, though their poverty rate has eased in the past few years. The poverty rate for families led by persons aged 35 to 64 was lower in 1986 than in 1980, though it increased in the mid-'eighties.

The picture is brighter for elderly families. Their poverty rate declined markedly from 41.4 percent in 1969 to 14.2 percent in 1980 and just 9.5 percent in 1986. Elderly families are better off than those in the near-aged (60 to 64) category - 11.0 percent of the latter had low incomes in 1986, compared to only 9.5 percent of the former. The poverty rate for elderly families is lower than that for families led by persons under age 65 - 9.5 percent as opposed to 12.8 percent. Figure 40 tracks the poverty rate for aged and non-aged families between 1980 and 1986.

Figure 40
PERCENTAGE OF AGED AND NON-AGED FAMILIES
BELOW THE POVERTY LINE, 1980-1988

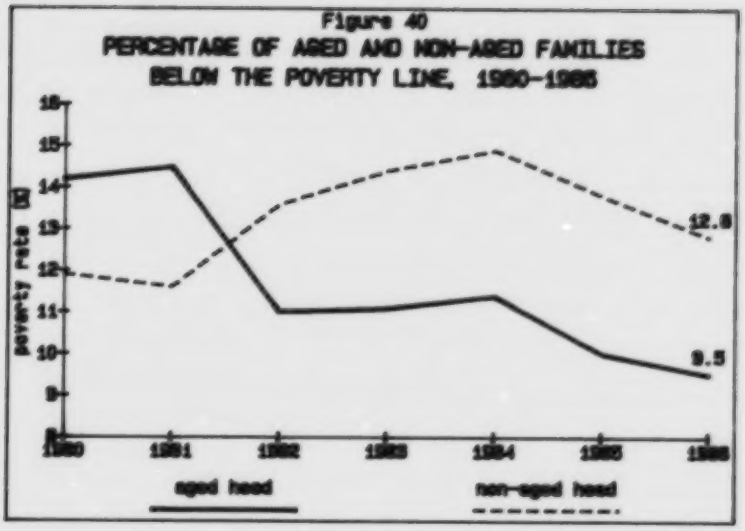


TABLE N

TRENDS IN FAMILY POVERTY, BY AGE OF HEAD, 1980-1986

	Under 25		25 - 34		35 - 44		45 - 54		55 - 64*		65 and Over*	
	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number
1980	21.1%	62,600	12.2%	192,200	11.6%	157,900	10.1%	120,700	11.4%	99,800	14.2%	111,800
1981	22.7	81,400	12.6	203,500	10.7	155,100	9.0	108,300	10.5	102,100	14.5	116,700
1982	28.4	94,700	15.5	247,700	12.3	192,900	10.2	126,000	11.6	117,300	11.0	91,200
1983	34.7	107,200	16.5	260,600	12.7	198,700	10.8	134,000	12.3	129,400	11.1	94,200
1984	30.1	96,200	17.7	290,700	13.1	212,900	11.3	134,100	12.8	131,200	11.4	106,900
1985	32.0	99,900	15.9	256,100	13.0	220,600	9.2	112,600	11.8	122,600	10.0	96,200
1986	**30.2**	**87,700**	**16.0**	**254,400**	**11.0**	**194,000**	**8.8**	**108,900**	**11.0**	**114,900**	**9.5**	**91,900**
Percentage Change												
1980/1986	43.1%	40.0%	31.1%	32.4%	-5.2%	22.9%	-12.9%	-9.8%	-3.5%	15.1%	-33.1%	-17.8%
1985/1986	-5.6	-12.3	0.6	-0.6	-15.4	-12.1	-4.3	-3.3	-6.8	-6.3	-5.0	-4.5

*For 1986: 55 to 59, a poverty rate of 10.9% and number of 60,400;
60 to 64, 11.0% and 54,500;
65 to 69, 8.8% and 32,300;
70 and over, 9.9% and 59,600.

TABLE O

TRENDS IN POVERTY, UNATTACHED INDIVIDUALS, BY AGE, 1980-1986

	Under 25		25 - 34		35 - 44		45 - 54		55 - 64*		65 and Over*	
	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number
1980	42.1%	224,900	19.2%	112,400	18.9%	39,600	29.7%	69,700	41.5%	124,900	61.5%	469,500
1981	38.4	189,500	18.2	103,900	22.4	51,900	30.3	64,500	40.9	125,100	58.6	427,100
1982	42.8	214,600	18.0	113,800	23.8	64,900	31.9	71,900	40.2	123,800	56.2	410,200
1983	49.3	211,700	25.0	149,500	23.6	64,400	36.0	80,700	40.8	138,600	57.5	446,200
1984	47.1	224,700	21.2	130,300	26.1	81,100	33.6	84,100	44.0	144,700	49.6	361,200
1985	48.0	227,000	22.0	147,300	21.9	63,600	32.0	71,600	43.9	144,300	46.8	356,200
1986	**47.7**	**219,000**	**22.4**	**157,100**	**22.2**	**74,600**	**26.3**	**63,800**	**39.1**	**132,600**	**42.7**	**335,800**
Percentage Change												
1980/1986	13.3%	-2.6%	16.7%	39.8%	17.5%	88.5%	-11.4%	-8.4%	-5.8%	6.1%	-30.6%	-28.5%
1985/1986	-0.6	-3.5	1.8	6.7	1.4	17.3	-17.8	-10.9	-10.9	-8.1	-8.8	-5.7

*For 1986: 55 to 59, a rate of 37.2% and number of 56,000;
60 to 64, 40.7% and 76,600;
65 to 69, 36.7% and 75,600;
70 and over, 44.9% and 260,200.

Unattached Canadians under age 44 face a greater risk of poverty today than in 1980. Table O indicates that poverty eased a bit in 1986 among those under age 25, but not for the unattached between 25 and 44. Fortunately the situation has improved significantly for the unattached aged 45 and older, who are less likely to have low incomes today than in 1980.

The elderly unattached still run a very high likelihood of being poor (42.7 percent in 1986), but their poverty rate was much worse (61.5 percent) in 1980. Those aged 65 to 69 face a lower risk of poverty than the over-70 unattached (36.7 percent as opposed to 44.9 percent, respectively). The marked reduction in poverty among the elderly unattached in 1984 (from 57.5 percent in 1983 to 49.6 percent in 1984) undoubtedly reflected improvements in the Guaranteed Income Supplement. The benefit was increased by $25 a month in July of 1984 and by an additional $25 a month in December for persons receiving the Guaranteed Income Supplement at the single rate. The continued decline in the poverty rate for elderly families in 1985 and 1986 likely stems in part from the fact that more and more Canadians, as they retire, are eligible for better pensions than their predecessors. That being said, much still remains to be done to improve the retirement income system to make further progress against poverty among the aged.

The two preceding tables gave information on poor families headed by persons 65 and older and the aged whom Statistics Canada defines as 'unattached'. Table P looks at **all** low-income seniors, including those who live in families but are not classed as heads (e.g., spouses, relatives). The data are for 1986.

One elderly Canadian in five lived below the poverty line in 1986. The risk of poverty was significantly higher for aged women (23.5 percent were poor) than men (12.5 percent). The large majority of the aged poor (71.7 percent) are women.

TABLE O

TRENDS IN POVERTY, UNATTACHED INDIVIDUALS, BY AGE, 1980-1986

	Under 25		25 - 34		35 - 44		45 - 54		55 - 64*		65 and Over*	
	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number
1980	42.1%	224,900	19.2%	112,400	18.9%	39,600	29.7%	69,700	41.5%	124,900	61.5%	469,500
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1982	42.8	214,600	18.0	113,800	23.8	64,900	31.9	71,900	40.2	123,800	56.2	410,200
1983	49.3	211,700	25.0	149,500	23.6	64,400	36.0	80,700	40.8	138,600	57.5	446,200
1984	47.1	224,700	21.2	130,300	26.1	81,100	33.6	84,100	44.0	144,700	49.6	361,200
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Percentage Change												
1980/1986	13.3%	-2.6%	16.7%	39.8%	17.5%	88.5%	-11.4%	-8.4%	-5.8%	6.1%	-30.6%	-28.5%
1985/1986	-0.6	-3.5	1.8	6.7	1.4	17.3	-17.8	-10.9	-10.9	-8.1	-8.8	-5.7

*For 1986: 55 to 59, a rate of 37.2% and number of 56,000;
60 to 64, 40.7% and 76,600;
65 to 69, 36.7% and 75,600;
70 and over, 44.9% and 260,200.

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The elderly unattached still run a very high likelihood of being poor (42.7 percent in 1986), but their poverty rate was much worse (61.5 percent) in 1980. Those aged 65 to 69 face a lower risk of poverty than the over-70 unattached (36.7 percent as opposed to 44.9 percent, respectively). The marked reduction in poverty among the elderly unattached in 1984 (from 57.5 percent in 1983 to 49.6 percent in 1984) undoubtedly reflected improvements in the Guaranteed Income Supplement. The benefit was increased by $25 a month in July of 1984 and by an additional $25 a month in December for persons receiving the Guaranteed Income Supplement at the single rate. The continued decline in the poverty rate for elderly families in 1985 and 1986 likely stems in part from the fact that more and more Canadians, as they retire, are eligible for better pensions than their predecessors. That being said, much still remains to be done to improve the retirement income system to make further progress against poverty among the aged.

The two preceding tables gave information on poor families headed by persons 65 and older and the aged whom Statistics Canada defines as 'unattached'. Table P looks at **all** low-income seniors, including those who live in families but are not classed as heads (e.g., spouses, relatives). The data are for 1986.

One elderly Canadian in five lived below the poverty line in 1986. The risk of poverty was significantly higher for aged women (23.5 percent were poor) than men (12.5 percent). The large majority of the aged poor (71.7 percent) are women.

Most low-income elderly Canadians (335,700 of the 480,000 total) are unattached, which means that they live alone or with non-relatives. Again, most of the unattached aged poor (82.3 percent) are women, mostly widows. Almost half (46.1 percent) of unattached elderly women are poor compared to 31.9 percent of unattached men aged 65 or over.

Men make up the majority of poor elderly Canadians living in families. An estimated 76,000 aged men in families were below the poverty line in 1986 compared to 67,900 elderly women.

It is clear that unattached elderly Canadians, men and women alike, face a much higher risk of poverty than those who live in families. Four in ten of the unattached aged were poor in 1986 compared to only one in ten of the elderly who live in families.

TABLE P

THE ELDERLY POOR, BY FAMILY STATUS AND SEX, 1986

	Number	Poverty Rate	Percentage Distribution
In Families			
Women	67,900	7.9%	47.2%
Men	76,000	8.5	52.8
Total	143,900	8.2	100.0
Unattached Individuals			
Women	276,300	46.1	82.3
Men	59,400	31.9	17.7
Total	335,700	42.7	100.0
All Elderly			
Women	344,200	23.5	71.7
Men	135,800	12.5	28.3
Total	480,000	18.8	100.0

g. Men Versus Women, Over and Under 65 (Tables Q and R, Figures 41 & 42)

Table Q shows trends in poverty rates for families headed by men and women over and under age 65.

TABLE Q

TRENDS IN FAMILY POVERTY, BY SEX AND AGE OF HEAD, 1980-1986

	Poverty Rate			
	Under 65		Over 65	
	Female	Male	Female	Male
1980	46.6%	8.1%	21.2%	13.3%
1981	40.5	8.3	24.7	12.9
1982	44.7	9.7	23.2	9.4
1983	47.1	10.4	17.0	10.4
1984	46.1	10.9	21.4	10.1
1985	46.7	9.6	16.5	9.1
1986	**42.0**	**9.1**	**16.5**	**8.7**
Percentage Change				
1980/1986	-9.9%	12.3%	-22.2%	-34.6%
1985/1986	-10.1	-5.2	0.0	-4.4

The risk of poverty for families headed by women under age 65 is less today (an estimated 42.0 percent in 1986) than in 1980 (46.6 percent), though the rate has moved up and down in the intervening years. While families led by non-aged men are much less likely to live on

a low income, nonetheless their poverty rate rose each year from 1980 to 1984 and, despite a decline in 1985 and 1986, is still one percentage point higher now than at the beginning of the decade.

The poverty rate for families led by elderly women changed little between 1980 and 1984, except for a sharp drop (perhaps due to sample size variation) to 17.0 percent in 1983, but fell to 16.5 percent for 1985 and 1986. The risk of poverty for families headed by aged men decreased substantially from 1980 to 1982, rose to 10.4 percent in 1983 and has since declined to 8.7 percent in 1986.

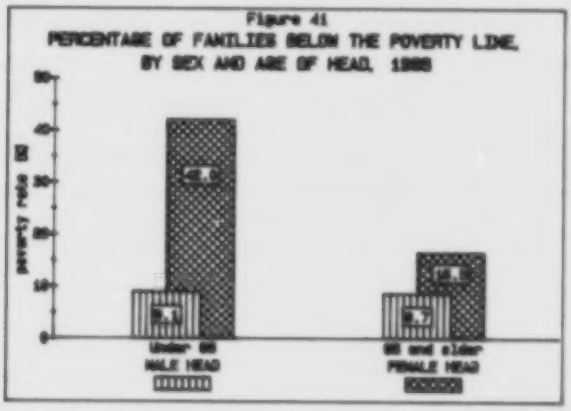
Table R looks at aged and non-aged unattached women and men. The poverty rate for unattached men under age 65 went from 24.6 percent in 1980 to 32.1 percent in 1983 and has since fallen to 28.8 percent in 1986. Unattached women under 65 saw a smaller increase in poverty as a result of the recession; at last count one-third were below the poverty line.

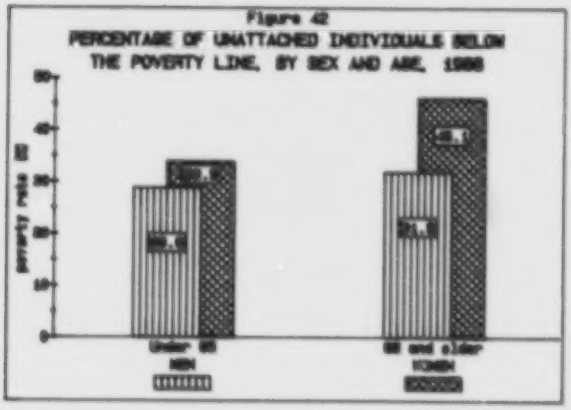
TABLE R

TRENDS IN POVERTY, UNATTACHED INDIVIDUALS, BY SEX AND AGE, 1980-1986

	Poverty Rate			
	Under 65		Over 65	
	Women	Men	Women	Men
1980	36.7%	24.6%	65.4%	51.9%
1981	34.6	24.5	62.2	48.4
1982	31.7	29.2	60.1	43.6
1983	37.4	32.1	60.6	48.0
1984	37.4	30.1	51.7	43.1
1985	36.3	30.0	51.0	33.7
1986	**33.9**	**28.8**	**46.1**	**31.9**
Percentage Change				
1980/1986	-7.6%	17.1%	-29.5%	-38.5%
1985/1986	-6.6	-4.0	-9.6	-5.3

Unattached women over 65 are still more poverty-prone than men, but they have seen a very significant decline in their risk of poverty in recent years - from 65.4 percent in 1980 to 46.1 percent in 1986. The poverty rate for aged unattached men fell from 51.9 percent in 1980 to 31.9 percent in 1986. **While low-income rates for both sexes are still very high - three in ten unattached elderly men and almost half of unattached aged women lived on low incomes in 1986 - there has been substantial progress against poverty among Canadians 65 and over.**





h. Size of Community (Tables S and T, Figures 43 and 44)

The 1986 figures do not indicate any substantial variation in the risk of poverty for families living in communities of different sizes. The poverty rates range from 12.1 percent in small cities (30,000 to 99,999 inhabitants) to 12.8 percent for towns with less than 30,000 residents. The majority of low-income families - like all families regardless of income - live in urban areas of 100,000 or more; Table S presents the numbers.

Table T looks at unattached individuals. Reflecting the overall trend, poverty rates for most community sizes declined after 1984, the exception being the 30,000 to 99,999 category where the rate went up in 1985 but dropped sharply in 1986. Unattached individuals living in rural areas face the lowest risk of falling below the low-income line, while those in metropolitan centers (500,000 and over) have the highest poverty rate.

Figure 43

PERCENTAGE OF FAMILIES BELOW THE POVERTY LINE, BY SIZE OF COMMUNITY, 1966

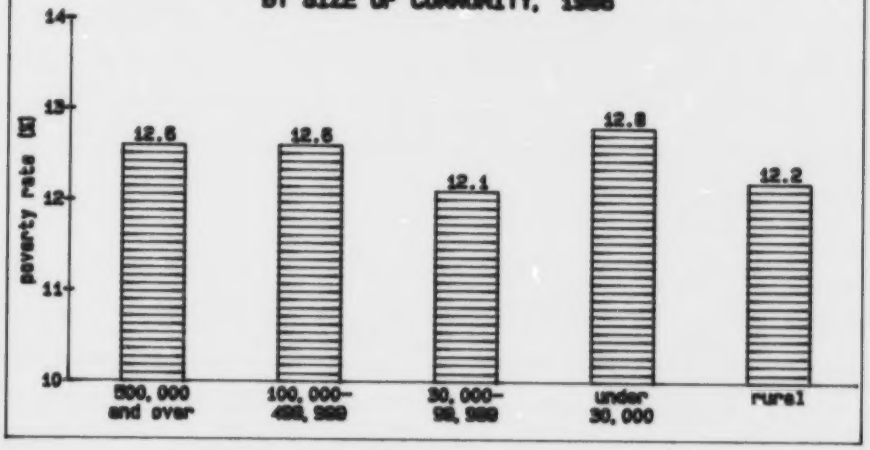


Figure 44

PERCENTAGE OF UNATTACHED INDIVIDUALS BELOW THE POVERTY LINE, BY SIZE OF COMMUNITY, 1966

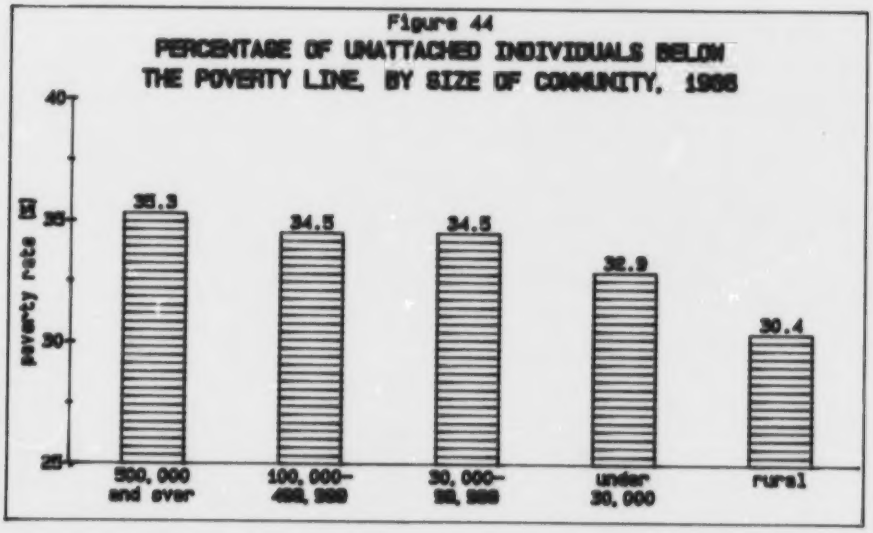


TABLE 5

TRENDS IN FAMILY POVERTY, BY COMMUNITY SIZE, 1980-1986

	500,000 & Over		100,000 - 499,999		30,000 - 99,999		Under 30,000		Rural	
	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number
1980	11.6%	284,600	11.1%	106,500	15.5%	76,000	11.3%	111,800	13.9%	166,100
1981	11.2	302,600	12.1	112,900	12.5	66,800	12.1	121,300	13.1	165,100
1982	12.8	352,800	12.9	125,100	13.6	73,900	13.3	138,200	14.3	179,900
1983	14.6	414,900	13.6	130,300	14.0	84,100	13.8	137,700	13.2	157,100
1984	14.5	427,700	15.2	133,200	13.8	97,200	13.9	127,200	14.6	186,600
1985	13.5	405,900	13.2	115,300	13.6	97,200	12.8	122,600	12.9	167,100
1986	**12.6**	**371,000**	**12.6**	**111,500**	**12.1**	**87,700**	**12.8**	**121,700**	**12.2**	**160,000**
Percentage Change										
1980/1986	8.6%	30.4%	13.5%	4.7%	-21.9%	15.3%	13.3%	8.8%	-12.2%	-3.7%
1985/1986	-6.7	-8.6	-4.5	-3.3	-11.0	-9.8	0.0	-0.7	-5.4	-4.3

TABLE T

TRENDS IN POVERTY, UNATTACHED INDIVIDUALS, BY COMMUNITY SIZE, 1980-1986

	500,000 & Over		100,000 - 499,999		30,000 - 99,999		Under 30,000		Rural	
	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number
1980	37.6%	466,400	38.4%	173,800	46.2%	117,600	45.7%	186,400	35.3%	96,800
1981	38.9	522,400	35.5	142,400	38.8	80,800	38.4	136,600	33.8	79,800
1982	38.2	523,000	34.5	147,700	40.5	95,800	39.2	144,700	32.9	86,800
1983	41.0	558,600	39.1	171,300	45.2	90,600	43.0	168,000	41.5	102,600
1984	37.7	541,700	40.0	145,700	40.1	98,500	37.7	144,700	33.7	94,400
1985	37.2	533,800	38.1	154,400	42.6	123,100	34.4	121,100	29.4	76,700
1986	**35.3**	**538,100**	**34.5**	**140,400**	**34.5**	**95,300**	**32.9**	**124,700**	**30.4**	**82,500**
Percentage Change										
1980/1986	-6.1%	15.4%	-10.2%	-19.2%	-25.3%	-19.0%	-28.0%	-33.1%	-13.9%	-14.8%
1985/1986	-5.1	0.8	-9.4	-9.1	-19.0	-22.6	-4.4	3.0	3.4	7.6

ADDITIONAL POVERTY STATISTICS

a. Education (Tables U and V, Figures 45 and 46)

The statistics always show a clear link between education and poverty and the 1986 figures are no exception. **The lower the education of a family head or unattached individual, the greater the chance of falling below the low-income line.** A family led by someone who did not get to high school is four times more likely to be poor as one headed by a university graduate.

In the early 'eighties the risk of poverty increased for all families, including those headed by persons who graduated from universities, community colleges and other postsecondary institutions. Families led by Canadians with only a high school education registered the largest increase in their poverty rate from 1980 to 1983 (from 12.2 percent to 15.7 percent, which represents a 28.7 percent increase). By 1986 the risk of poverty had declined for all educational groups, though the poverty rates for families headed by persons with high school and postsecondary schooling have not yet returned to their pre-recession levels.

Unattached individuals show a similar trend. With the exception of postsecondary graduates, who still face a higher poverty rate than in 1980, unattached Canadians are less likely to be poor today than they were in 1980. Those at the opposite ends of the educational spectrum - elementary and university - have enjoyed the largest decline in their poverty rates from 1980 to 1986.

TABLE U

FAMILY POVERTY TRENDS,
BY EDUCATION OF HEAD, 1980–1986

	Poverty Rate				
	Primary	Some High School	Some Postsecondary	Postsecondary Graduate	University Graduate
1980	18.8%	12.2%	7.5%	6.6%	4.5%
1981	18.9	11.6	8.4	7.0	4.7
1982	18.6	14.1	10.7	7.6	5.3
1983	19.9	15.7	9.1	7.9	5.2
1984	19.6	16.2	12.9	8.0	4.9
1985	18.8	14.4	11.8	8.5	4.6
1986	**16.7**	**14.4**	**11.2**	**7.2**	**4.2**
Percentage Change					
1980/1986	-11.2%	18.0%	49.3%	9.1%	-6.7%
1985/1986	-11.2	0.0	-5.1	-15.3	-8.7

Figure 45
PERCENTAGE OF FAMILIES BELOW THE POVERTY LINE, BY HEAD'S EDUCATION, 1986

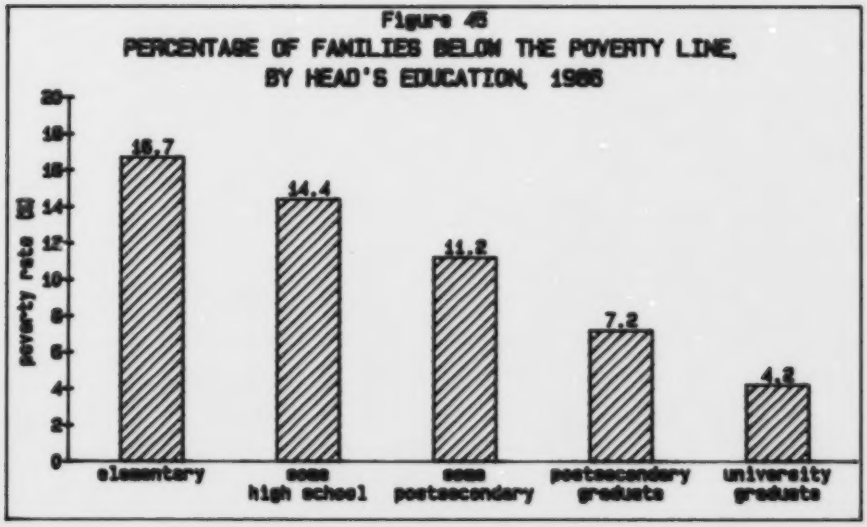


Figure 46
PERCENTAGE OF UNATTACHED INDIVIDUALS BELOW THE POVERTY LINE, BY EDUCATION, 1986

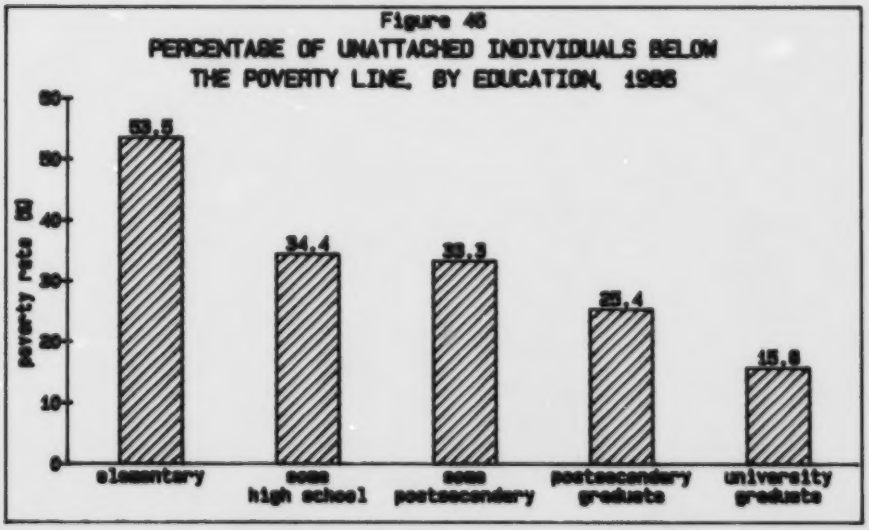


TABLE V

POVERTY TRENDS, UNATTACHED INDIVIDUALS, BY EDUCATION, 1980–1986

	Poverty Rate				
	Primary	Some High School	Some Postsecondary	Postsecondary Graduate	University Graduate
1980	64.3%	35.1%	35.3%	23.7%	21.1%
1981	62.9	33.3	34.2	22.8	17.3
1982	62.4	34.5	33.2	23.6	18.5
1983	67.0	37.7	40.0	24.9	19.3
1984	58.0	36.4	38.6	26.5	18.4
1985	57.1	36.3	36.4	24.3	17.6
1986	**53.5**	**34.4**	**33.3**	**25.4**	**15.8**
Percentage Change					
1980/1986	-16.8%	-2.0%	-5.7%	7.2%	-25.1%
1985/1986	-6.3	-5.2	-8.5	4.5	-10.2

Figure 47
PERCENTAGE OF FAMILIES BELOW THE POVERTY LINE, BY HEAD'S LABOR FORCE STATUS, 1980-1986

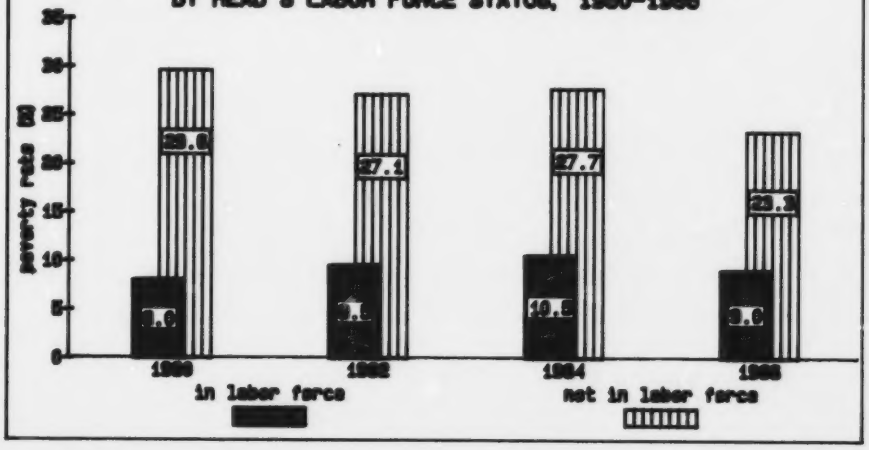


Figure 48
PERCENTAGE OF UNATTACHED INDIVIDUALS BELOW THE POVERTY LINE, BY LABOR FORCE STATUS, 1980-1986

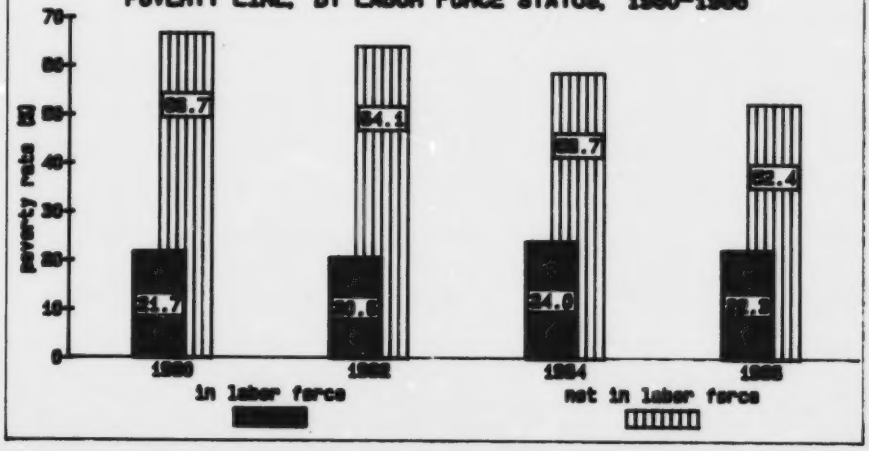


TABLE W

TRENDS IN FAMILY POVERTY, BY LABOR FORCE STATUS OF HEAD, 1980-1986

	Poverty Rate	
	In Labor Force	Not In Labor Force
1980	8.0%	29.6%
1981	7.9	27.3
1982	9.5	27.1
1983	10.3	27.8
1984	10.5	27.7
1985	9.6	25.5
1986	**9.0**	**23.3**
Percentage Change		
1980/1986	12.5%	-21.3%
1985/1986	-6.2	-8.6

TABLE X

POVERTY TRENDS, UNATTACHED INDIVIDUALS BY LABOR FORCE STATUS, 1980-1986

	Poverty Rate	
	In Labor Force	Not In Labor Force
1980	21.7%	66.7%
1981	20.4	64.1
1982	20.6	64.1
1983	25.2	64.4
1984	24.0	58.7
1985	23.4	56.0
1986	**22.3**	**52.4**
Percentage Change		
1980/1986	2.8%	-21.4%
1985/1986	-4.7	-6.4

b. The Link to the Labor Force (Tables W to AF)

Not surprisingly, families whose heads are not in the labor force (i.e., are neither employed nor actively looking for work) are more poverty prone. Twenty-three percent were poor in 1986, as opposed to only nine percent of families with heads in the labor force.

Over half of unattached individuals who are not in the labor force were poor in 1986, which is a marked improvement over the two-thirds figure in 1980.

Contrary to what many people believe, **most poor families are headed by persons who work or are actively searching for a job.** In 1986 55.7 percent of low-income families were headed by men or women in the labor force, and 26.7 percent were led by someone who worked 49 weeks or longer. In contrast, most poor unattached individuals (61.1 percent in 1986) are not in the labor force.

The more weeks worked by a head who is employed, the less the chance a family will be poor. The poverty rate was a very high 42.2 percent for families whose heads worked only one to nine weeks in 1986, and the risk dropped progressively until it reached only 5.2 percent for families headed by persons working between 49 and 52 weeks. Table Y gives the figures for families and Table Z indicates the same pattern for unattached Canadians.

TABLE Y

FAMILY POVERTY, BY WEEKS WORKED BY HEAD, 1986

Weeks Worked	Poverty Rate	Number of Poor Families
0	26.8%	381,200
1 - 9	42.2	42,600
10 - 19	33.6	69,800
20 - 29	20.6	57,900
30 - 39	17.6	40,800
40 - 48	11.6	31,500
49 - 52	5.2	227,200

TABLE Z

POVERTY AMONG UNATTACHED INDIVIDUALS, BY WEEKS WORKED, 1986

Weeks Worked	Poverty Rate	Number of Poor Unattached Individuals
0	53.3%	553,800
1 - 9	78.6	47,100
10 - 19	70.5	92,300
20 - 29	48.0	68,700
30 - 39	38.7	42,200
40 - 48	25.8	33,400
49 - 52	11.6	144,400

Table AA shows that **families whose heads work part-time run a five times greater risk of poverty as families led by full-time workers** (21.7 percent versus 4.8 percent). As expected, the poverty rate among families whose heads did not work in 1986 was even higher. The same pattern applies for unattached individuals, as Table AB demonstrates.

TABLE AA

FAMILY POVERTY, BY FULL/PART-TIME WORKER STATUS OF HEAD, 1986

	Poverty Rate	Number of Poor Families
Full-time	4.8%	204,200
Part-time	21.7	265,500
Did not work	26.8	381,200

TABLE AB

POVERTY AMONG UNATTACHED INDIVIDUALS, BY FULL/PART-TIME WORKER STATUS, 1986

	Poverty Rate	Number of Poor Unattached Individuals
Full-time	8.7%	99,200
Part-time	48.2	329,000
Did not work	53.3	553,800

Unemployment also worsens the odds. **Families whose heads were out of work at some point in 1986 were twice as likely to be poor as those in which no member was unemployed.** Table AC gives the results.

TABLE AC

FAMILY POVERTY, BY UNEMPLOYMENT EXPERIENCE, 1986

	Poverty Rate	Number of Poor Families
No one unemployed	10.5%	509,700
Head unemployed	25.6	260,400
Other members unemployed	7.9	80,800

The risk of poverty is dramatically reduced for families with more than one earner. The 1986 poverty rates were 19.2 percent for families with one earner, 5.3 percent for those with two earners and only 2.9 percent for those with three or more earners. Table AD presents the statistics.

TABLE AD

FAMILY POVERTY, BY NUMBER OF EARNERS, 1986

Earners	Poverty Rate	Number of Poor Families
None	33.8%	319,000
1	19.2	337,000
2	5.3	164,200
3 or more	2.9	30,600

Families headed by persons in managerial and professional occupations are unlikely to live below the poverty line. Occupations with an above-average risk of poverty include farming, fishing and services. The poverty rate for families headed by workers in service industries - a heavy employer of women - increased from 16.2 percent in 1980 to 19.6 percent in 1986.

TABLE AE

FAMILY POVERTY, BY OCCUPATION OF HEAD, 1986

Occupation	Poverty Rate	Number of Poor Families
Managerial	3.4%	28,100
Professional	4.6	34,900
Clerical	10.2	34,900
Sales	8.6	37,400
Service	19.6	97,000
Farming, fishing	18.2	57,900
Processing and machining	6.0	28,100
Product fabrication	8.1	44,300
Construction	9.6	49,400
Transport	9.0	51,100
Not in labor force	23.8	388,100

Unattached individuals who work in services, sales, product fabrication, construction and transport run a substantial chance of being poor. As with families, the poverty rate for unattached men and women who work in services has increased in recent years (from 38.1 percent in 1980 to 46.3 percent in 1986). Table AF gives the figures.

TABLE AF

POVERTY AMONG UNATTACHED INDIVIDUALS, BY OCCUPATION, 1986

Occupation	Poverty Rate	Number of Poor Unattached Individuals
Managerial	8.6%	18,700
Professional	13.3	50,100
Clerical	19.8	57,000
Sales	26.7	36,300
Service	46.3	112,900
Farming, fishing	34.8	15,700
Processing and machining	20.0	14,700
Product fabrication	17.9	21,600
Construction	28.1	23,600
Transport	20.1	22,600
Not in labor force	52.7	607,900

c. Major Source of Income (Tables AG and AH)

Four in ten families whose major source of income is government transfer payments (e.g., social assistance, the old age pension, unemployment insurance) were poor in 1986. Two families in ten whose chief source of income is self-employment were below the poverty line.

The risk of poverty is very high for unattached Canadians who rely on government transfers for most of their income: six in ten have low incomes. Many are pensioners whose income from Old Age Security and the Guaranteed Income Supplement - even if supplemented by provincial benefits for the elderly - does not bring them up to the poverty line.

TABLE AG

FAMILY POVERTY, BY MAJOR SOURCE OF INCOME, 1980-1986

	Poverty Rate			
	Wages and Salaries	Self-Employment	Government Transfers	Other
1980	5.5%	17.3%	51.6%	13.6%
1981	5.4	18.1	48.8	13.5
1982	5.5	20.1	48.9	14.3
1983	6.3	22.5	47.2	10.6
1984	6.4	20.6	46.3	14.9
1985	6.0	17.4	43.7	12.5
1986	**5.1**	**17.4**	**41.7**	**11.7**
Percentage Change				
1980/1986	-7.3%	0.6%	-19.2%	-14.0%

Both families and unattached individuals whose chief source of income is government income security programs have seen a steady decline in their poverty rates during the 'eighties.

TABLE AH

POVERTY AMONG UNATTACHED INDIVIDUALS, BY MAJOR SOURCE OF INCOME, 1980-1986

	Poverty Rate			
	Wages and Salaries	Self-Employment	Government Transfers	Other
1980	17.7%	-	84.3%	24.8%
1981	18.1	26.5%	82.0	22.2
1982	17.0	38.1	77.9	22.2
1983	19.4	-	77.6	23.8
1984	18.2	36.7	70.8	26.1
1985	20.4	27.2	69.5	16.8
1986	**19.6**	**28.6**	**62.5**	**18.9**
Percentage Change				
1980/1986	10.7	-	-25.9%	-23.8%

d. Immigrants and Native-Born (Tables AI and AJ)

The poverty rate for families with Canadian-born heads (12.5 percent) was higher than the rate for families with foreign-born heads (11.6 percent) in 1986. The risk of poverty varies according to when the family head came to Canada: 7.4 percent for those who immigrated before 1946, 6.8 percent for families whose heads immigrated between 1946 and 1960 and 15.7 percent for those who came to this country after 1960.

TABLE AI

FAMILY POVERTY, BY YEAR OF IMMIGRATION OF HEAD, 1986

	Poverty Rate	Number of Poor Families
Canadian born	12.5%	689,300
Immigrated	11.6%	161,700
before 1946	7.4	11,900
1946 to 1960	6.8	32,300
after 1960	15.7	117,400

Table AJ looks at unattached Canadians. Those who immigrated to this country face a higher risk of poverty than unattached native-born persons.

TABLE AJ

POVERTY AMONG UNATTACHED INDIVIDUALS, BY YEAR OF IMMIGRATION, 1986

	Poverty Rate	Number of Poor Unattached Individuals
Canadian born	33.5%	809,200
Immigrated	38.7	172,800
before 1946	43.0	50,100
1946 - 1960	30.0	39,300
after 1960	41.9	83,500

e. Homeowners and Renters (Tables AK and AL)

The poverty rate for families that own their homes was only 7.3 percent in 1986 - 6.2 percent for those with a mortgage and 8.4 percent for those without a mortgage. By contrast, 25.6 percent of renters had low incomes.

TABLE AK

FAMILY POVERTY, BY TENURE, 1986

	Poverty Rate	Number of Poor Families
Owners	7.3%	361,700
with mortgagee	6.2	162,500
no mortgage	8.4	199,100
Renters	25.6	489,300

Unattached individuals who rent are more likely to be poor than those who own their homes. The incidence of poverty is substantially higher for unattached homeowners who have paid off their mortgage than for those with a mortgage because many of the former are elderly persons who have lower incomes than those under 65.

TABLE AL

POVERTY AMONG UNATTACHED INDIVIDUALS, BY TENURE, 1986

	Poverty Rate	Number of Poor Unattached Individuals
Owners	24.4%	187,600
with mortgage	14.3	36,300
no mortgage	29.3	151,200
Renters	38.0	794,400

THE CHANGING FACE OF POVERTY

The 1971 report of the special Senate Committee on Poverty chaired by Senator David Croll, Poverty in Canada, displayed a picture of an elderly man on its cover. Were that study to be done today, undoubtedly its cover photo would show an elderly woman or a young single-parent mother and her children.

The 'feminization of poverty' is not the only significant long-term change in the composition of poverty. So too is the increasing share of young people in the low-income population and the significant decline in the proportion of the elderly among Canada's poor. A growing proportion of poor Canadians rely upon government income security programs (such as old age pensions, unemployment insurance, the Canada and Quebec Pension Plans and welfare) as their chief source of income.

There are two methods to gauge poverty - poverty rates and poverty distributions. Poverty rates measure the percentage of persons in different categories who have incomes below the poverty line: the rates indicate their susceptibility to or risk of poverty. Poverty shares or distributions, on the other hand, measure the composition of poverty: they indicate what percentage of the low-income population is made up by women and men, by persons in different age groups, by persons within and outside the labor force, and so on. The previous chapters dealt mainly with poverty rates; this chapter uses poverty distributions to examine the changing face of poverty in Canada.

a. The Feminization of Poverty (Tables AM to AP, Figures 49 and 50).

Table AM shows that **women both make up a larger percentage of the poor and run a higher risk of poverty than men** in most categories. More than half (56.1 percent) of all low-income Canadians are female, and 56.4 percent of low-income persons between the ages of 16 and 64 are women. Seven in ten of all the elderly poor (71.7 percent) are women. Women constitute 82.3 percent of the unattached aged with low incomes.

Males make up a larger percentage of the poor in the following categories: children, aged persons in families, and both aged and non-aged family heads. However men constitute an even larger proportion (88.7 percent) of the total (poor and non-poor) number of family heads, which means that they are underrepresented among the poor in this category. The proportion of low-income children who are boys (52.0 percent) is virtually the same as the proportion of all children who are boys (51.7 percent). The only category where men make up a larger percentage of the poor than of all is elderly persons living in families; 52.8 percent of the aged poor in families are men compared to 51.1 percent of all the aged in families.

Table AM also shows that women face a higher risk of poverty than men in almost ever category. The last column gives the ratio of the female to the male poverty rate. For example, families headed by women are more than four times (4.30) more likely to be poor than are male-led families. In all but two categories the figure exceeds 1.00, indicating that women have a higher poverty rate than men. The poverty rate for boys is slightly higher than the rate for girls (17.7 percent versus 17.5 percent). Elderly men living in families have a higher poverty rate than women (8.5 percent and 7.9 percent, respectively).

TABLE AM

POVERTY DISTRIBUTIONS AND RATES, BY SEX AND CATEGORY, 1986

Category	Percentage of Poor Who Are:		Poverty Rate		
	Female	Male	Female	Male	Ratio of Female to Male
All Persons	56.1%	43.9%	16.5%	13.3%	1.24
Children	48.0	52.0	17.5	17.7	0.99
Adults	56.4	43.6	14.8	11.7	1.26
Aged	71.7	28.3	23.5	12.5	1.88
Persons in Families	54.1	45.9	13.3	11.3	1.18
Children	48.0	52.0	17.5	17.7	0.99
Adults	58.7	41.3	12.3	9.1	1.35
Aged	47.2	52.8	7.9	8.5	0.93
All Heads	35.1	64.9	38.7	9.0	4.30
Aged Heads	18.5	81.5	16.5	8.7	1.90
Non-aged Heads	37.1	62.9	42.0	9.1	4.62
Unattached Individuals	61.6	38.4	38.5	29.2	1.32
Aged	82.3	17.7	46.1	31.9	1.45
Non-aged	50.8	49.2	33.9	28.8	1.18

Note: The ratio divides the poverty rate for females by that for men for each category. The higher the figure, the larger the poverty gap between women and men.

Children are under 16, adults 16 to 64 and the aged 65 and older.

Table AN shows that **women make up a larger proportion of the low-income population than the population as a whole.** In 1986 56.1 percent of low-income Canadians were female compared to 50.8 percent of the total population. The 'proportionality index' simply divides women's share of low incomes with their share of all incomes for each category; figures over 1.00 indicate that women are overrepresented among the poor, which means that they make up a larger share of the poor than the total.

TABLE AN

WOMEN AS A PERCENTAGE OF LOW-INCOME AND ALL, BY CATEGORY, 1986

Category	Low-Income	All	Proportionality Index
All Persons	56.1%	50.8%	1.10
Children	48.0	48.3	0.99
Adults	56.4	50.6	1.11
Aged	71.7	57.3	1.25
Persons in Families	54.1	50.2	1.08
Children	48.0	48.3	0.99
Adults	58.7	51.2	1.15
Aged	47.2	48.9	0.97
All Heads	35.1	11.2	3.13
Aged Heads	18.5	10.7	1.73
Non-aged Heads	37.1	11.3	3.28
Unattached Individuals	61.6	54.9	1.12
Aged	82.3	76.3	1.08
Non-aged	50.8	46.8	1.09

Note: Proportionality index: figures over 1.00 indicate that females are overrepresented among the poor; figures under 1.00 mean that they are underrepresented among the poor.

Children are under 16, adults 16 to 64 and the aged 65 and older.

The proportionality index for all women is 1.10, so we know that women as a group are overrepresented among Canada's poor. The highest index - 3.28 - is for families led by persons under age 65; women represent 37.1 percent of poor families in this category but only 11.3 percent of all non-aged families. The only category in which women are underrepresented is elderly persons living in families; they comprise a smaller share of the poor (47.2 percent) than all the aged in families (48.9 percent).

The term 'feminization of poverty' implies that women are making up a rising proportion of the low-income population. This is a widespread impression, but it is only partially correct.

While it is true that a much larger percentage of low-income families are headed by women today than in the past, the majority of poor families are still headed by men. More women than men figure among the unattached poor, but women have not enlarged their share of unattached individuals below the poverty line. The proportion of poor Canadians who are women has not increased during the 'eighties.

The proportion of low-income families led by women has increased markedly over the past 25 years. Figure 49 plots the trend. In 1961 only 13.2 percent of poor families were headed by women. Their share climbed to 16.6 percent in 1969, 35.4 percent in 1980 and 36.5 percent in 1985, though it declined to 35.1 percent in 1986. The remarkable growth of single-parent families, largely as a result of marriage breakdown - most of which are poor and led by women - is the major factor behind this trend.

Women have always accounted for the majority of unattached individuals with low incomes. Their share was little changed in 1986 (61.6 percent) from 1961 (62.0 percent). Figure 50 shows the long-term trend.

Figure 49
WOMEN AND MEN AS A PERCENTAGE OF
LOW-INCOME FAMILY HEADS, 1981-1986

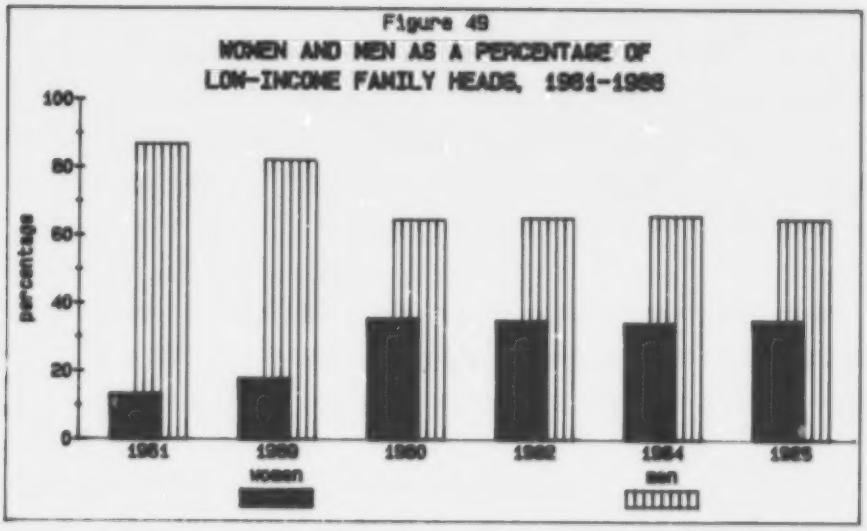
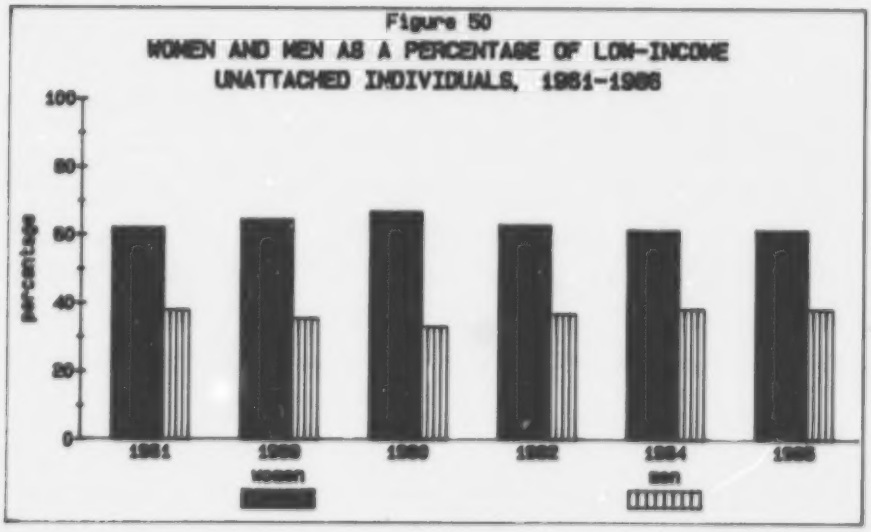


Figure 50
WOMEN AND MEN AS A PERCENTAGE OF LOW-INCOME
UNATTACHED INDIVIDUALS, 1981-1986



Recent trends, however, do not indicate a growing feminization of poverty. Table AO presents a detailed breakdown of women's proportion of poor and all (poor and non-poor together) Canadians from 1981 to 1986. The top half of the table gives the figures for all persons as well as for children under age 16, adults (16 to 64) and the elderly (65 and older), while the bottom half looks at families and unattached individuals.

In 1981 57.3 percent of all low-income Canadians were female; in 1986 their proportion was a bit lower (56.1 percent), though still larger than that of males. There is no clear pattern in the years between 1981 and 1986 and the figures do not vary by much. Women make up a larger share of low-income Canadians than of all Canadians (56.1 percent as opposed to 50.8 percent), which means that they are overrepresented among the poor.

Nor is there any evidence of feminization of child poverty in the 'eighties. Girls comprise slightly under half of poor and all children under 16, the figure ranging from 46.8 percent to 49.9 percent during the 1981 to 1986 period.

Women represented a somewhat smaller proportion of low-income Canadians aged 16 to 64 in 1986 (56.4 percent) than in 1981 (58.1 percent), though again the figures do not vary all that much between 1981 and 1986.

Women make up the large majority of Canadians over 65 and under the poverty line - seven in ten. The trend does not suggest an increasing feminization of poverty among the aged. Elderly women are significantly overrepresented among the poor: they represent 71.7 percent of the elderly poor as opposed to 57.3 percent of all elderly persons.

TABLE AO

WOMEN AS A PERCENTAGE OF LOW-INCOME AND ALL, BY CATEGORY, 1981-1986

	All Aged		Children Under 16		Adults 16-64		Aged	
	Poor	All	Poor	All	Poor	All	Poor	All
1981	57.3%	50.6%	48.5%	48.2%	58.1%	50.5%	69.1%	57.1%
1982	56.4	50.7	49.9	48.3	55.3	50.5	73.5	58.2
1983	55.6	50.8	46.8	48.4	56.0	50.7	70.7	57.2
1984	55.5	50.6	47.9	48.2	56.5	50.6	68.2	56.2
1985	56.7	51.0	48.7	48.7	57.3	50.9	71.6	56.8
1986	**56.1**	**50.8**	**48.0**	**48.3**	**56.4**	**50.6**	**71.7**	**57.3**

	Family Heads		Unattached Individuals		Non-aged Unattached		Aged Unattached	
	Poor	All	Poor	All	Poor	All	Poor	All
1981	33.8%	10.6%	67.0%	56.2%	57.4%	48.9%	78.9%	74.4%
1982	34.9	11.1	63.1	55.7	50.0	47.9	81.8	76.6
1983	33.6	10.8	63.1	56.0	51.5	47.7	79.9	75.9
1984	34.2	11.6	61.6	54.6	47.7	53.1	78.6	75.3
1985	36.5	11.4	62.6	54.9	48.3	53.1	82.7	75.9
1986	**35.1**	**11.2**	**61.6**	**54.9**	**49.2**	**53.2**	**82.3**	**76.3**

One poor family in three is headed by a woman. The percentage was somewhat higher in 1986 than in 1981 (35.1 percent as opposed to 33.8 percent), but there has been no significant feminization of family poverty so far during the 'eighties.

Table AO also shows trends in the proportion of low-income unattached individuals who are women. The figure was higher in 1981 (67.0 percent) than in 1986 (61.6 percent). The age breakdown is revealing. Women made up a significantly larger percentage of the non-aged unattached poor in 1981 than in 1986 (57.4 percent versus 49.2 percent). The opposite holds for the aged unattached, 78.9 percent of whom were women in 1981 and 82.3 percent in 1986. Again, there is no clear linear pattern from 1981 to 1986, since the figures have fluctuated from year to year.

Table AP presents the number of one-parent families headed by men and women and of two-parent families from 1981 to 1986, as well as their relative shares of the total. In 1981 single-parent families headed by women represented 40.0 percent of all families with children under 18 (199,000 out of a total 497,000) and slightly more (41.8 percent or 233,000 out of 558,000) in 1986. One-parent families led by men account for only 2.9 percent of the total, though this is up from just 1.8 percent in 1981. The proportion of two-parent families declined from 58.1 percent in 1981 to 55.4 percent in 1986. In each of the three family types, there is no linear pattern in their relative shares since 1986. The data do not show a significant feminization of poverty among families with children during the 'eighties to date.

TABLE AP

ONE AND TWO-PARENT FAMILIES WITH CHILDREN, BELOW THE POVERTY LINE, 1981-1986

Low-Income Families With Children

	Female Single Parents		Male Single Parents		Two Parents	
	Number	As % Of All	Number	As % Of All	Number	As % Of All
1981	199,000	40.0%	9,000	1.8%	289,000	58.1%
1982	236,000	40.1	14,000	2.4	339,000	57.6
1983	232,000	38.5	13,000	2.2	358,000	59.4
1984	258,000	40.3	16,000	2.5	366,000	57.2
1985	261,000	42.9	15,000	2.5	332,000	54.6
1986	**233,000**	**41.8**	**16,000**	**2.9**	**309,000**	**55.4**

Note: Family heads are under age 65, children under age 18.

b. **More Younger, Fewer Older Faces Among the Poor (Tables AQ and AR, Figures 51 and 52)**

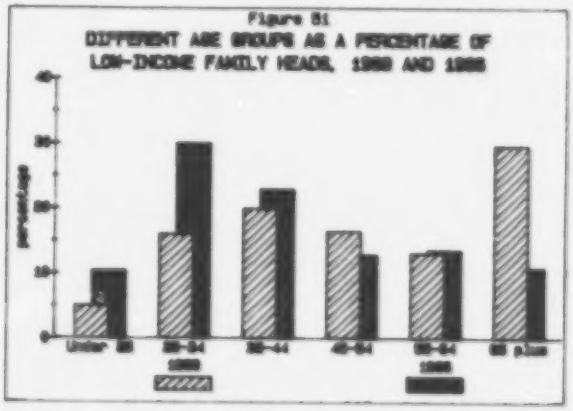
TABLE AQ

PERCENTAGE DISTRIBUTION OF POOR FAMILIES, BY AGE OF HEAD, 1969-1986

	Age of Family Head					
	Under 25	25-34	35-44	45-54	55-64	65 and Older
1969	5.0%	16.0%	19.9%	16.4%	13.1%	29.6%
1980	8.4	25.8	21.2	16.2	13.4	15.0
1981	10.6	26.5	20.2	14.1	13.3	15.2
1982	10.9	28.5	22.2	14.5	13.5	10.5
1983	11.6	28.2	21.5	14.5	14.0	10.2
1984	9.9	29.9	21.9	13.8	13.5	11.0
1985	11.0	28.2	24.3	12.4	13.5	10.6
1986	**10.3**	**29.9**	**22.8**	**12.8**	**13.5**	**10.8**

Table AQ shows a marked increase from 1969 to 1986 in the proportion of low-income families headed by younger Canadians. The percentage of poor families led by persons under 25 doubled from 5.0 percent in 1969 to 10.3 percent in 1986, whereas the youth portion of the total (poor and non-poor) population actually declined somewhat (from 5.5 percent in 1969 to 4.2 percent in 1986). There were significant increases in poverty shares for families with heads aged 25 to 34 and 35 to 44 as well.

The proportion of low-income families headed by persons between 45 and 54 declined from 16.4 percent in 1969 to 12.8 percent in 1986, which matched their decline in the total population. Those in the 55 to 64 age group stayed about the same. There was a dramatic decline in the percentage of low-income families headed by elderly Canadians - from 29.6 percent in 1969 to 15.0 percent in 1980 and 10.8 percent in 1986 - even though their share of all families actually increased from 13.1 percent in 1969 to 14.0 percent in 1986. Figure 51 illustrates the age distribution of family poverty from 1969 to 1986.



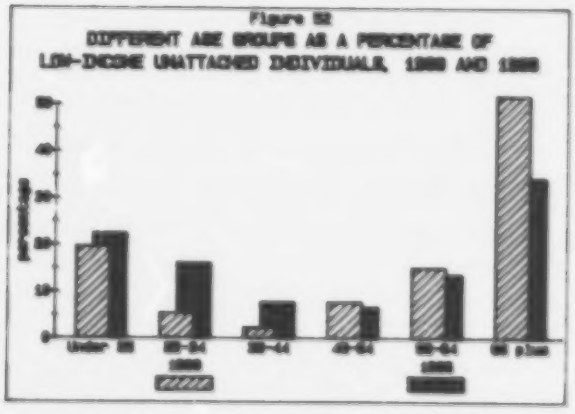


TABLE AR

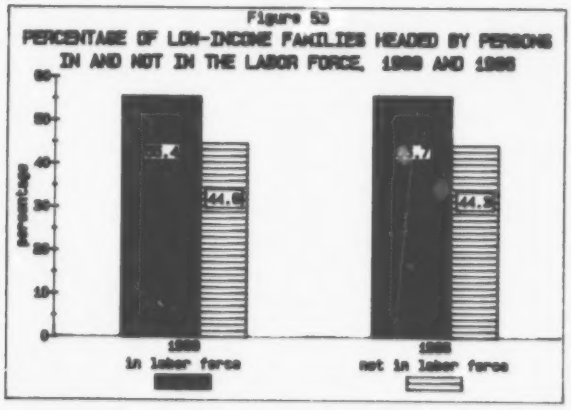
PERCENTAGE DISTRIBUTION OF POOR UNATTACHED INDIVIDUALS, BY AGE, 1969-1986

	Age Group					
	Under 25	25-34	35-44	45-54	55-64	65 and Older
1969	19.6%	5.4%	2.3%	7.7%	15.0%	50.1%
1980	21.6	10.8	3.8	6.7	12.0	45.1
1981	19.7	10.8	5.4	6.7	13.0	44.4
1982	21.5	11.4	6.5	7.2	12.4	41.1
1983	19.4	13.7	5.9	7.4	12.7	40.9
1984	21.9	12.7	7.9	8.2	14.1	35.2
1985	22.5	14.6	6.3	7.1	14.3	35.3
1986	**22.3**	**16.0**	**7.6**	**6.5**	**13.5**	**34.2**

Table AR and Figure 52 show each age group's share of the low-income unattached population. As with families, the younger age groups represent a larger fraction of the unattached poor now than in the past. By contrast, those in the older age categories - 45 and older - comprised a smaller proportion of the low-income unattached in 1986 than in 1969. Although the aged are still the largest group of the unattached poor, their share has fallen considerably over the years: in 1969, one poor unattached individual in two was elderly; by 1986, one in three was 65 or over.

c. The Working Poor (Figures 53 to 56)

Figure 53 illustrates the proportion of low-income families led by persons in the labor force (i.e., either working or actively looking for work) and those not in the work force in 1969 and in 1986. The figures are virtually unchanged. In 1969 55.4 percent of poor families were headed by men or women in the labor force and 44.6 percent by those not in the labor force. The comparable figures in 1986 were 55.7 percent and 44.3 percent. **The majority of low-income families are working poor.**



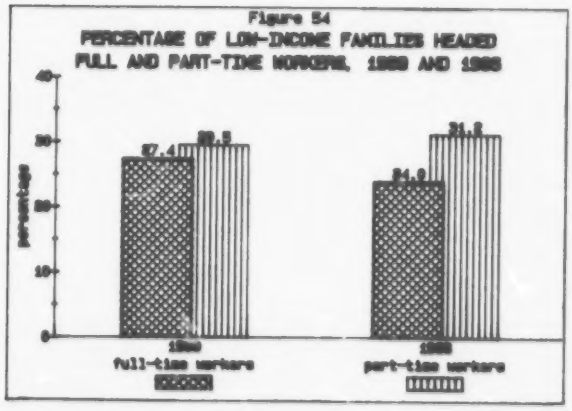
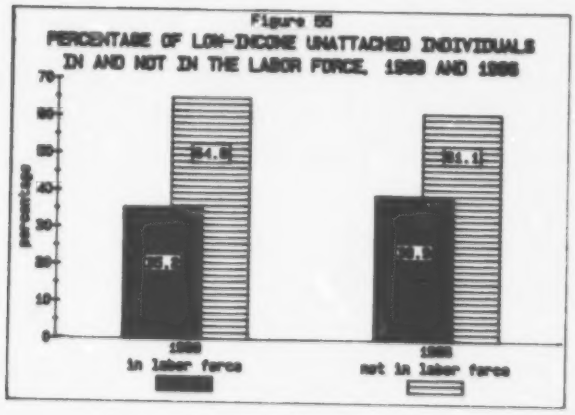


Figure 54 compares the percentage of low-income families headed by full and part-time workers in 1969 and 1986. A somewhat larger percentage had full-time working heads in 1969 (27.4 percent) than in 1986 (24.0 percent), while part-time workers made up a larger share in 1986 (31.2 percent) than in 1969 (29.5 percent).



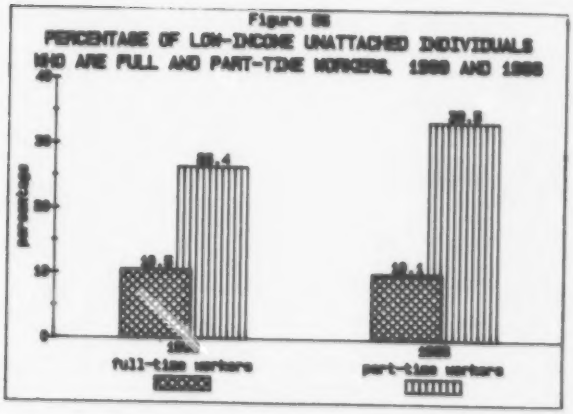


Figure 55 shows that only a minority of the unattached poor are in the labor force, though the percentage increased from 35.2 percent in 1969 to 38.9 percent in 1986. Figure 56 indicates little change in the proportion of low-income unattached individuals working full-time (only 10.5 percent in 1969 and 10.1 percent in 1986), though more are working part-time today (33.5 percent in 1986) than in the late 'sixties (26.4 percent). In 1969 63.1 percent of the low-income unattached did not work, in contrast to 56.4 percent in 1986.

d. Sources of Income (Figures 57 and 58)

Low-income families with government income transfers as their major source of income rose from 43.0 percent in 1969 to 55.5 percent by 1986, while those who get most of their income from paid employment fell from 50.9 percent in 1969 to 37.8 percent in 1986. By contrast, the proportion of unattached poor who rely on transfers as their chief source of income changed little between 1969 (57.8 percent) and 1986 (58.1 percent), although those with employment income as their primary income source increased somewhat from 28.2 percent in 1969 to 33.3 percent in 1986.

More than half of low-income families and unattached individuals now count government income security programs as their main source of income.

Figure 57
MAJOR SOURCE OF INCOME,
LOW-INCOME FAMILIES, 1969 AND 1986

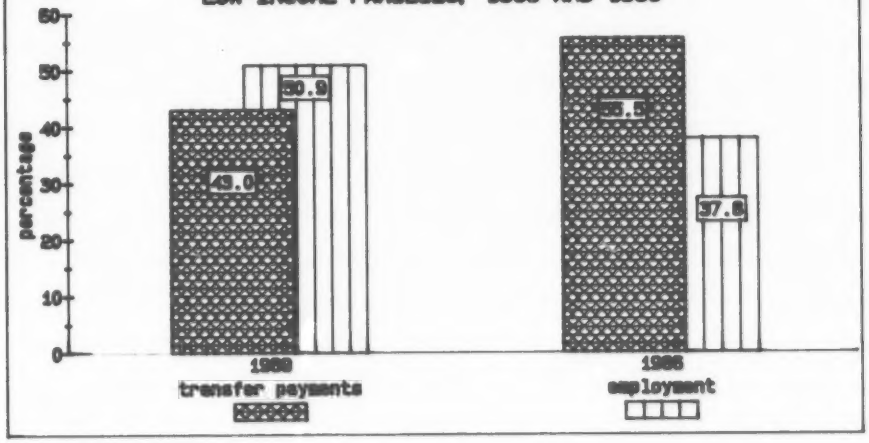
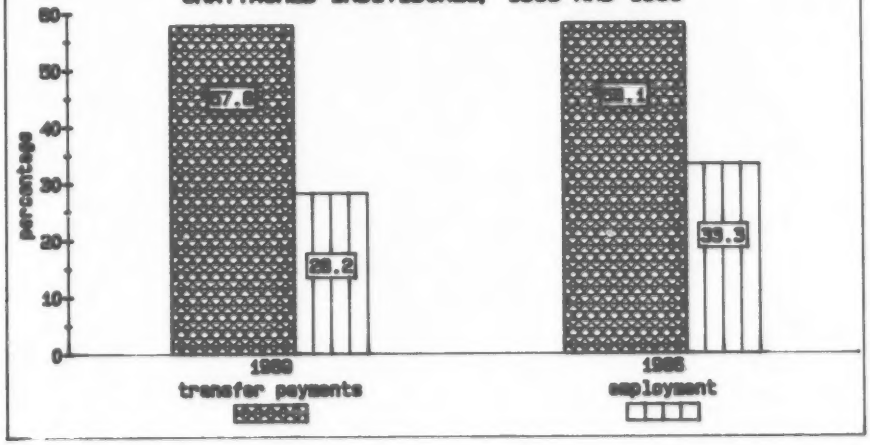


Figure 58
MAJOR SOURCE OF INCOME, LOW-INCOME
UNATTACHED INDIVIDUALS, 1969 AND 1986



e. Childless Couples and Families with Children (Table AS, Figure 59)

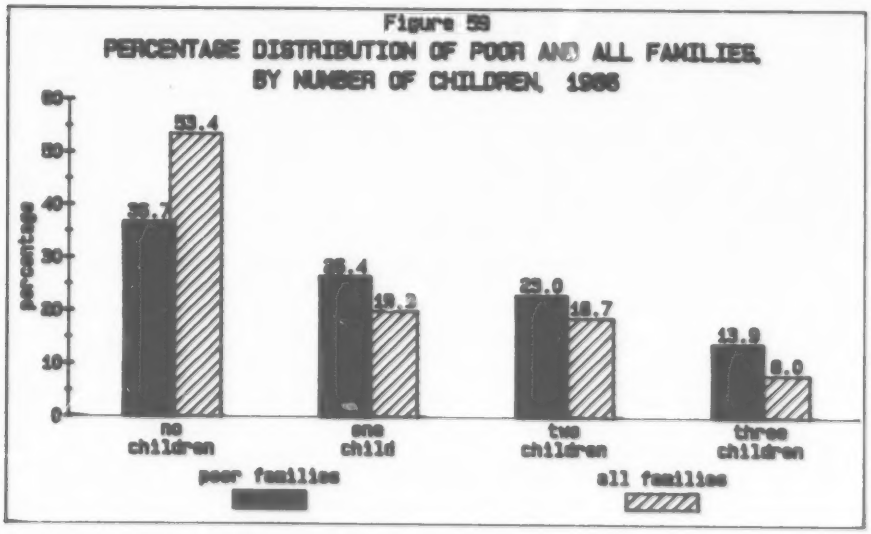
Table AS presents some revealing differences between poor and all families with and without children. Whereas the proportion of low-income childless couples declined from 45.6 percent in 1969 to 36.7 percent in 1986, the proportion of all childless couples rose significantly from 40.8 percent in 1969 to 53.4 percent in 1986. Families with one child doubled their share of poor families (from 13.5 percent in 1969 to 26.4 percent in 1986), whereas their share of all families changed little during that period. Families with two children increased their share of poor families but not of all families between 1969 and 1986. Larger families are on the wane: their declining share of all families (21.1 percent in 1969, 8.0 percent in 1986) outstripped their decreasing proportion of poor families (26.0 percent in 1969, 13.9 percent in 1986).

More than half of all families now have no children, in contrast to only one in three poor families. As a result, the proportions of low-income families with one, two and three or more children outweigh the shares in each case for all families.

TABLE A5

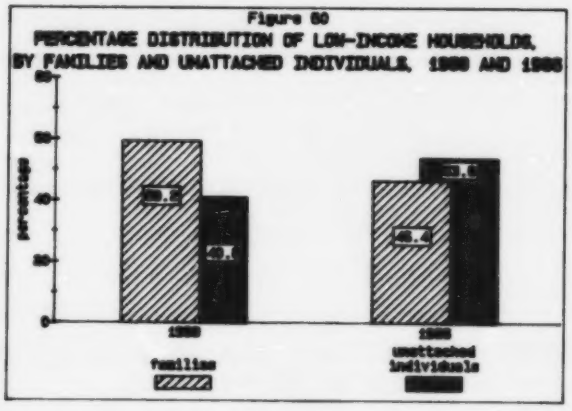
PERCENTAGE DISTRIBUTION OF POOR AND ALL FAMILIES, BY NUMBER OF CHILDREN, 1969-1986

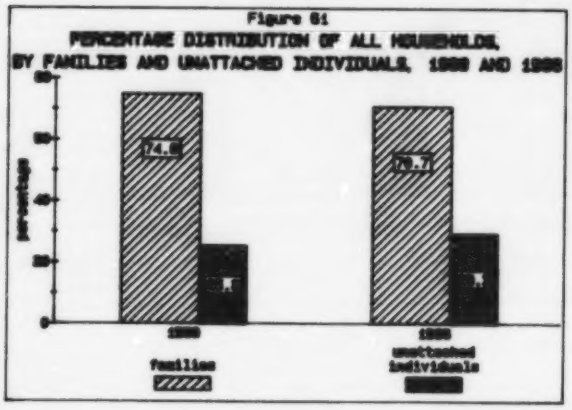
	No Children		One Child		Two Children		Three or More Children	
	Poor	All	Poor	All	Poor	All	Poor	All
1969	45.6%	40.8%	13.5%	19.4%	14.8%	18.6%	26.0%	21.1%
1980	38.0	49.0	24.3	20.5	23.7	21.4	13.9	9.2
1981	35.9	49.5	24.9	21.4	22.8	20.0	16.4	8.8
1982	34.1	50.6	26.1	21.1	24.4	20.0	15.4	8.3
1983	35.7	50.9	26.3	21.6	23.5	19.2	14.6	8.3
1984	34.9	51.8	26.6	20.6	24.0	19.5	14.5	8.1
1985	34.9	52.6	25.6	20.0	24.9	19.7	14.5	7.7
1986	**36.7**	**53.4**	**26.4**	**19.9**	**23.0**	**18.7**	**13.9**	**8.0**



f. Families Versus Singles (Figures 60 and 61)

Figure 60 compares the relative shares of families and unattached individuals for the low-income population in 1969 with 1986. Figure 61 does the same for all family units. In both cases, unattached Canadians make up a larger share of the population now than in the past. **Unattached individuals comprise a much larger proportion of low-income households (53.6 percent in 1986) than all households (only 29.3 percent).** The majority of poor family units are unattached, whereas the bulk of all family units are families of two or more persons.





INCOMES AND EARNINGS

The income trends are similar to the poverty trends. Average incomes increased significantly in the 'seventies, fell in the early part of the 'eighties and improved in 1985 and 1986.

a. Income Trends (Tables AT to AZ, Figures 62 to 76)

Families have higher average incomes today than at the end of the 'sixties. In 1969 average family income was $8,927, which amounts to $29,772 in 1986 dollars. In 1986 average family income was $40,356 - 36 percent more than in 1969. Table AT gives the trends. ("Actual" dollars refer to current value, whereas "constant" dollars converts incomes to 1986 dollars in order to permit valid comparisons over time).

Table AU shows that the income of unattached Canadians averaged $17,550 at last count (1986) - 32 percent more than in 1969 when their average income was $3,980, or $13,273 in constant (1986) dollars. They lost some ground in 1982 and 1983 but have seen a small but steady increase since. (Figures 62 and 63 illustrate the trends for families and unattached individuals, respectively).

Families headed by men have enjoyed larger income increases than families led by women over the years. The average income of male-led families increased by 38 percent from 1969 to 1986, whereas families headed by women averaged 33 percent more over the same period. In 1969 the average income of families headed by women was 58 percent of the average income of male-led families; in 1986 families led by women reported an average income only 55 percent of that for male-headed families. In part this stems from the rising labor force participation of wives, which has helped improve the incomes of couples. Figure 64 plots the trends.

TABLE AT

AVERAGE FAMILY INCOME, 1969-1986

Year	Actual	$ Constant (1986)
1969	$ 8,927	$29,772
1971	10,368	32,529
1973	12,716	35,370
1975	16,613	37,599
1977	20,101	39,195
1979	24,245	39,777
1980	27,579	41,074
1981	30,440	40,303
1982	32,981	39,411
1983	34,748	39,255
1984	35,767	38,721
1985	38,059	39,615
1986	**40,356**	40,356
Percentage Change		
1969/1986		35.6%
1980/1986		-1.7
1985/1986		1.9

TABLE AU

AVERAGE INCOME OF UNATTACHED INDIVIDUALS, 1969-1986

Year	Actual	$ Constant (1986)
1969	$ 3,980	$13,273
1971	4,346	13,635
1973	5,149	14,322
1975	6,595	14,926
1977	8,254	16,095
1979	10,375	17,022
1980	11,435	17,030
1981	13,535	17,920
1982	14,861	17,758
1983	15,027	16,976
1984	15,712	17,010
1985	16,729	17,413
1986	**17,550**	17,550
Percentage Change		
1969/1986		32.2%
1980/1986		3.1
1985/1986		0.8

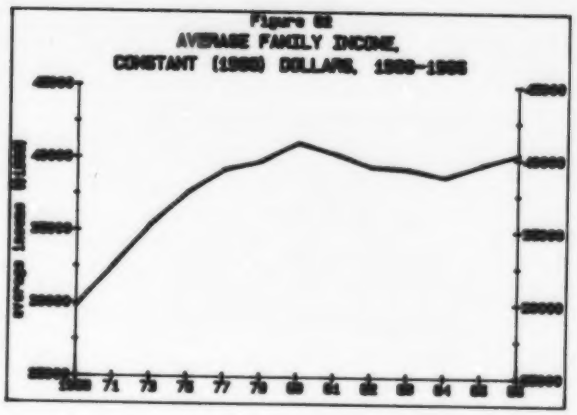


Figure 62
AVERAGE FAMILY INCOME,
CONSTANT (1988) DOLLARS, 1969-1988

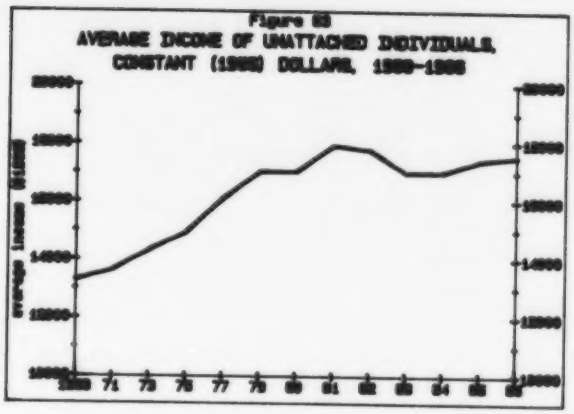


Figure 63
AVERAGE INCOME OF UNATTACHED INDIVIDUALS,
CONSTANT (1988) DOLLARS, 1969-1988

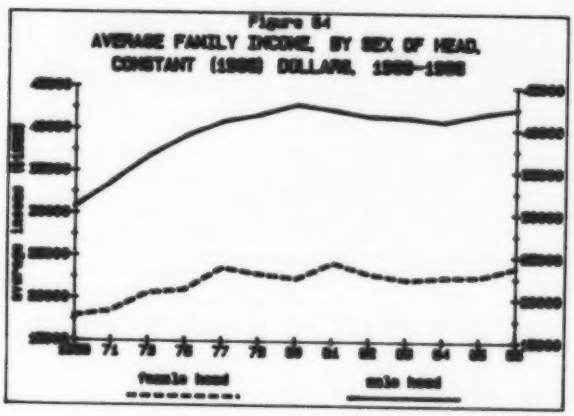


Figure 64
AVERAGE FAMILY INCOME, BY SEX OF HEAD,
CONSTANT (1988) DOLLARS, 1969-1988
female head
male head

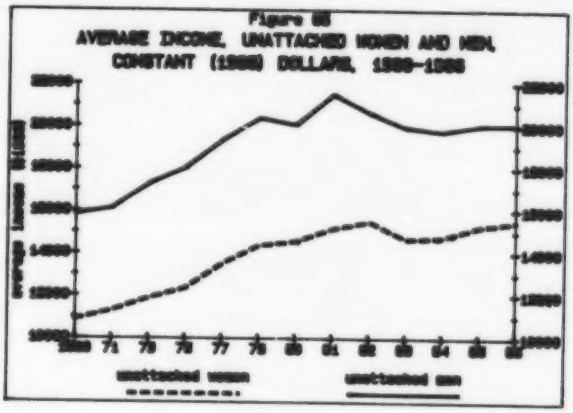


Figure 65
AVERAGE INCOME, UNATTACHED WOMEN AND MEN,
CONSTANT (1988) DOLLARS, 1969-1988
unattached women
unattached men

The trends are different for unattached women and men. Unattached women experienced a 43 percent real increase in their average income between 1969 and 1986, compared to a 27 percent increase for unattached men. As a result, **the average income of unattached women as a percentage of that of men rose from 69 percent in 1969 to 77 percent in 1986.** Figure 65 shows the trends.

Table AV compares the average incomes of one-parent families headed by women and two-parent families. The families are headed by persons under age 65 and their children are under 18.

TABLE AV

AVERAGE FAMILY INCOME, SINGLE-PARENT FAMILIES LED BY WOMEN AND TWO-PARENT FAMILIES, 1980-1986

	$ Constant (1986)		
	Female Single Parents		Couples
	Average	As % of Couples	
1980	$18,329	41.1%	$44,599
1981	18,380	41.7	44,054
1982	16,997	39.3	43,287
1983	17,196	39.6	43,372
1984	17,560	40.8	42,997
1985	17,007	38.5	44,159
1986	**17,353**	**38.6**	**44,919**
Percentage Change			
1980/1986	-5.3%		0.7%
1985/1986	2.0		1.7

Couples with children averaged two-and-a-half times the income of single-parent families headed by women in 1986. The average income of sole-support mothers was higher in 1980 than in 1986. By constrast, couples with children averaged slightly more in 1986 than in 1980. The average income of female-led one-parent families has ranged between 39 and 41 percent since 1980.

Table AW below divides sole-support mothers into those with and without employment earnings. Those with no earnings from work - welfare recipients, in most cases - have very low average incomes. In 1986 single-parent families led by mothers without earnings averaged just $10,140, which is little more than half the $19,027 average for sole-support mothers in the paid labor force.

TABLE AW

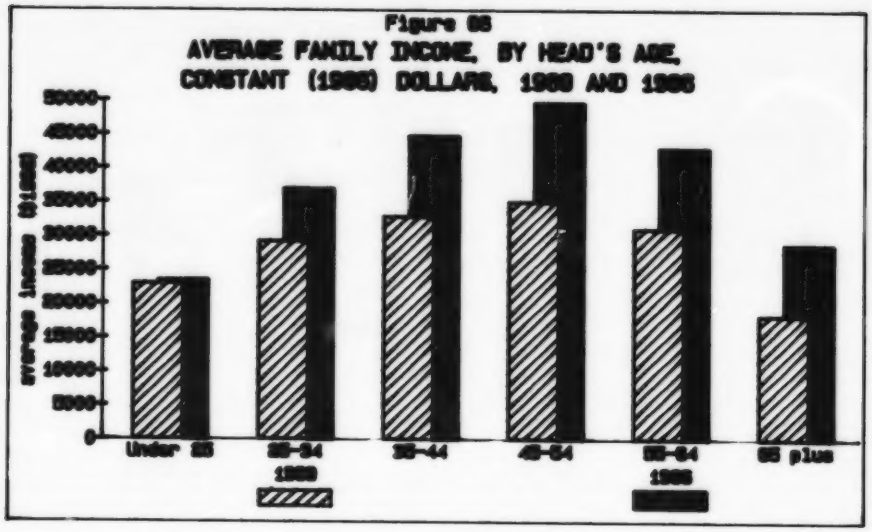
AVERAGE FAMILY INCOME, SINGLE-PARENT FAMILIES LED BY WOMEN, WITH AND WITHOUT EMPLOYMENT EARNINGS, 1980-1986

$ Constant (1986)

Female Single Parents

	No Earner	Earner	No Earner as % of Earner
1980	$ 8,729	$18,282	47.7%
1981	8,391	19,230	43.6
1982	9,110	18,336	49.7
1983	9,091	19,365	46.9
1984	9,217	19,377	47.6
1985	9,313	17,806	52.3
1986	**10,140**	**19,027**	**53.3**
Percentage Change			
1980/1986	16.2%	4.1%	
1985/1986	8.9	6.9	

Figure 66 charts trends in the average incomes of families according to the age of their heads.



The most striking finding is the poor position of young families. The average income of families headed by Canadians under 25 was $23,410 in 1986 - little more than what it was in 1969 ($23,002 in 1986 dollars). Their average income has declined in constant dollars by $5,608 since 1980 - a hefty 19 percent drop.

Older families, on the other hand, have experienced substantial income gains over the years. Families headed by elderly Canadians have enjoyed a 57 percent rise in their real income since the end of the 'sixties. Again, however, families headed by persons in all age groups have seen their incomes remain the same or decline since 1980.

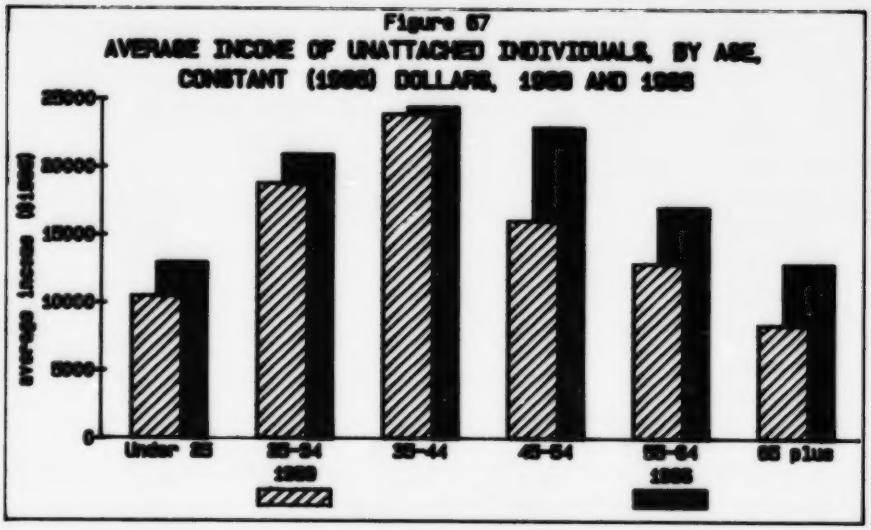


Figure 67 shows that unattached individuals aged 65 and over enjoyed a sizeable gain in their real income from 1969 to 1986. The younger unattached saw smaller increases. Those under 25 registered a larger increase (23 percent) in their income over the years that the young who head families (only 2 percent).

Table AX charts estimated average incomes from 1980 to 1986 for families in different income groups. Total income is divided into five equal groups or 'quintiles'. (Estimates are by the National Council of Welfare).

TABLE AX

AVERAGE FAMILY INCOME, BY QUINTILE, 1980-1986

$ Constant (1986)

	lowest quintile	second quintile	middle quintile	fourth quintile	highest quintile	highest/ lowest
1969	$ 9,229	$18,756	$26,646	$34,982	$59,097	6.4
1980	12,733	26,698	37,788	49,494	78,862	6.2
1981	12,897	25,995	36,877	48,565	77,381	6.0
1982	12,414	24,829	35,459	47,490	76,653	6.2
1983	12,169	24,142	34,937	47,302	77,528	6.4
1984	11,810	23,813	34,849	46,659	76,474	6.5
1985	12,479	24,363	35,455	47,736	78,041	6.3
1986	**12,712**	**24,819**	**36,119**	**48,629**	**79,501**	**6.3**
Percentage Change						
1969/1986	37.7%	32.3%	35.6%	39.0%	34.5%	
1980/1986	-0.2	-7.0	-4.4	-1.7	0.8	
1985/1986	1.9	1.9	1.9	1.9	1.9	

Families in each income quintile had substantially higher incomes in 1986 than in 1969. However families in all income groups but the highest lost ground during the recession so that, though incomes improved in 1985 and 1986, their average incomes are still lower than they were in 1980. Families in the top income quintile had a higher average income in 1986 ($79,501) than in 1980 ($78,862). **The gap between families in the lowest and highest categories has not lessened over the years: those in the top group enjoy six times as much income as the low-income families.**

TABLE AY

AVERAGE INCOME OF UNATTACHED INDIVIDUALS, BY QUINTILE, 1980-1986

$ Constant (1986)

	lowest quintile	second quintile	middle quintile	fourth quintile	highest quintile	highest/ lowest
1969	$ 2,588	$ 5,442	$10,154	$17,056	$31,126	12.0
1980	3,832	8,004	13,198	21,884	38,233	10.0
1981	4,480	8,512	14,067	22,490	40,052	8.9
1982	4,351	8,435	13,674	22,109	40,311	9.3
1983	4,074	8,064	12,308	20,541	39,978	9.8
1984	4,167	8,420	12,927	20,922	38,612	9.3
1985	4,527	8,881	13,060	21,070	39,527	8.7
1986	**4,651**	**9,126**	**13,426**	**21,411**	**39,224**	**8.4**
Percentage Change						
1969/1986	79.7%	67.7%	32.2%	25.5%	26.0%	
1980/1986	21.4	14.0	1.7	-2.2	2.6	
1985/1986	2.7	2.8	2.8	1.6	-0.8	

Unattached individuals in all income groups had better average incomes in 1986 than in 1969 and the bottom two quintiles saw the largest percentage increase. Despite losses as a result of the recession, all unattached Canadians did better in 1985 and 1986 and now have higher average incomes than they did in 1980, with the exception of those in the fourth quintile. There is still a wide gap between rich and poor unattached individuals, though it is not as wide as it was in 1969. **Unattached individuals in the top income group have eight times the average income of those in the lowest quintile.**

TABLE AZ

AVERAGE FAMILY INCOME, BY PROVINCE, 1986

	Average Family Income	Average Head's Income	Average Wife's Income	Average Transfer Payments	Province/ Canada
Newfoundland	$29,446	$25,361	$ 6,152	$ 7,236	73.0%
P.E.I.	31,817	28,156	8,330	6,243	78.8
Nova Scotia	34,457	30,033	6,998	5,451	85.4
New Brunswick	32,665	29,617	7,168	5,998	80.9
Quebec	37,282	33,320	8,506	4,713	92.4
Ontario	45,078	40,519	10,278	3,530	111.7
Manitoba	36,390	31,837	9,133	4,187	90.2
Saskatchewan	36,125	31,348	8,907	3,968	89.5
Alberta	42,428	38,130	10,564	3,631	105.1
British Columbia	39,937	36,292	9,546	4,306	99.0
CANADA	40,356	26,962	9,351	4,215	100.0

Table AZ shows that average family income in each province in 1986 ranged from a low of $29,446 in Newfoundland to a high of $45,078 in Ontario. The average income of family heads went from $25,361 in Newfoundland to $40,519 in Ontario, and the average income of wives from $6,152 in Newfoundland to $10,564 in Alberta. While Newfoundland had the lowest average incomes in 1986, it had the highest average transfer payments - $7,236 - whereas Ontario families were lowest at $3,530. The last column shows each province's average family income as a percentage of the national family average; results range from 73.0 percent for Newfoundland to 111.7 percent for Ontario. Figure 68 through 71 illustrate Table AZ.

TABLE AY

AVERAGE INCOME OF UNATTACHED INDIVIDUALS, BY QUINTILE, 1980-1986

$ Constant (1986)

	lowest quintile	second quintile	middle quintile	fourth quintile	highest quintile	highest/ lowest
1969	$ 2,588	$ 5,442	$10,154	$17,056	$31,126	12.0
1980	3,832	8,004	13,198	21,884	38,233	10.0
1981	4,480	8,512	14,067	22,490	40,052	8.9
1982	4,351	8,439	13,674	22,109	40,311	9.3
1983	4,074	8,064	12,308	20,541	39,978	9.8
1984	4,167	8,420	12,927	20,922	38,612	9.3
1985	4,527	8,881	13,060	21,070	39,527	8.7
1986	**4,651**	**9,126**	**13,426**	**21,411**	**39,224**	**8.4**
Percentage Change						
1969/1986	79.7%	67.7%	32.2%	25.5%	26.0%	
1980/1986	21.4	14.0	1.7	-2.2	2.6	
1985/1986	2.7	2.8	2.8	1.6	-0.8	

Unattached individuals in all income groups had better average incomes in 1986 than in 1969 and the bottom two quintiles saw the largest percentage increase. Despite losses as a result of the recession, all unattached Canadians did better in 1985 and 1986 and now have higher average incomes than they did in 1980, with the exception of those in the fourth quintile. There is still a wide gap between rich and poor unattached individuals, though it is not as wide as it was in 1969. **Unattached individuals in the top income group have eight times the average income of those in the lowest quintile.**

TABLE AZ

AVERAGE FAMILY INCOME, BY PROVINCE, 1986

	Average Family Income	Average Head's Income	Average Wife's Income	Average Transfer Payments	Province/ Canada
Newfoundland	$29,446	$25,361	$ 6,152	$ 7,236	73.0%
P.E.I.	31,817	28,156	8,330	6,243	78.8
Nova Scotia	34,457	30,033	6,998	5,451	85.4
New Brunswick	32,665	29,617	7,168	5,998	80.9
Quebec	37,282	33,320	8,506	4,713	92.4
Ontario	45,078	40,519	10,278	3,530	111.7
Manitoba	36,390	31,837	9,133	4,187	90.2
Saskatchewan	36,125	31,348	8,907	3,968	89.5
Alberta	42,428	38,130	10,564	3,631	105.1
British Columbia	39,937	36,292	9,546	4,306	99.0
CANADA	40,356	26,962	9,351	4,215	100.0

Table AZ shows that average family income in each province in 1986 ranged from a low of $29,446 in Newfoundland to a high of $45,078 in Ontario. The average income of family heads went from $25,361 in Newfoundland to $40,519 in Ontario, and the average income of wives from $6,152 in Newfoundland to $10,564 in Alberta. While Newfoundland had the lowest average incomes in 1986, it had the highest average transfer payments - $7,236 - whereas Ontario families were lowest at $3,530. The last column shows each province's average family income as a percentage of the national family average; results range from 73.0 percent for Newfoundland to 111.7 percent for Ontario. Figure 68 through 71 illustrate Table AZ.

Figure 68
AVERAGE FAMILY INCOME, BY PROVINCE, 1988

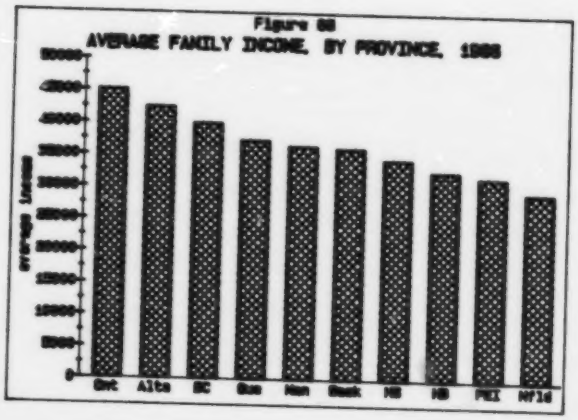


Figure 69
AVERAGE INCOME OF FAMILY HEADS, BY PROVINCE, 1988

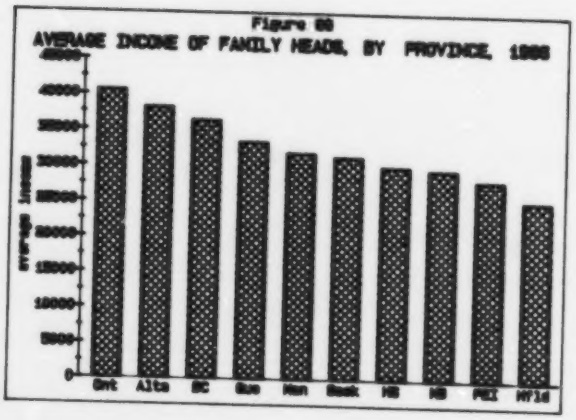


Figure 70
AVERAGE INCOME OF WIVES, BY PROVINCE, 1988

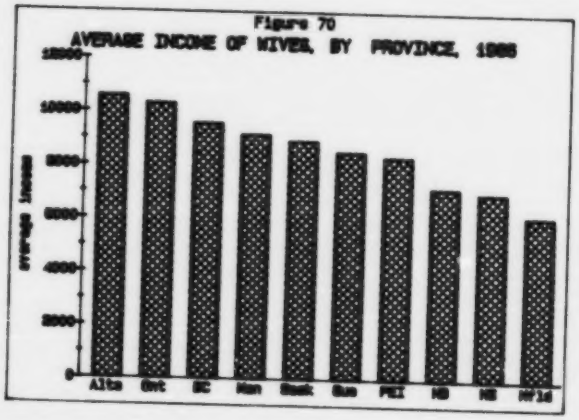


Figure 71
AVERAGE TRANSFER PAYMENTS TO FAMILIES,
BY PROVINCE, 1988

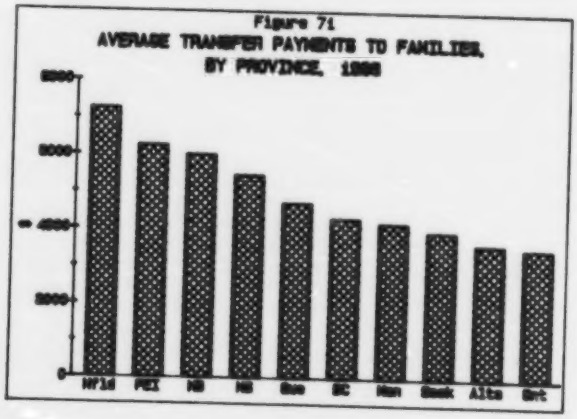


Figure 72
AVERAGE INCOME OF UNATTACHED INDIVIDUALS, BY PROVINCE, 1988

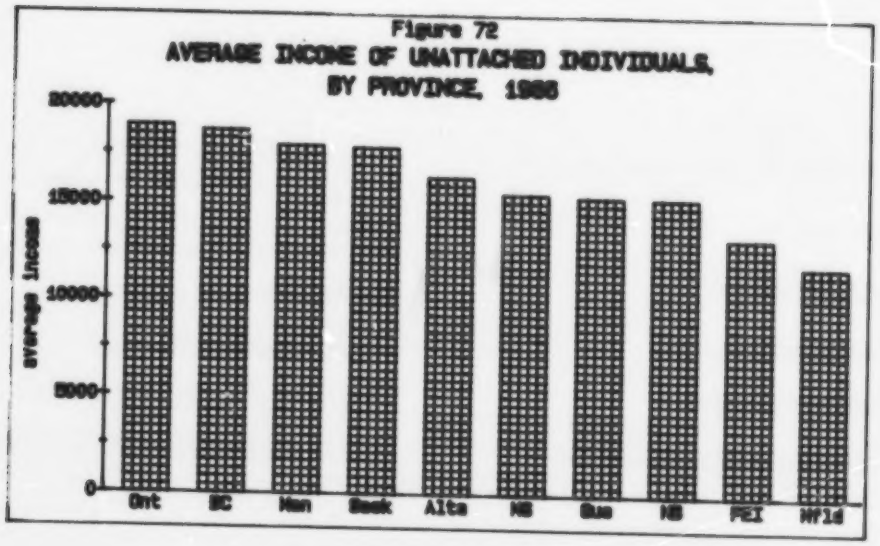
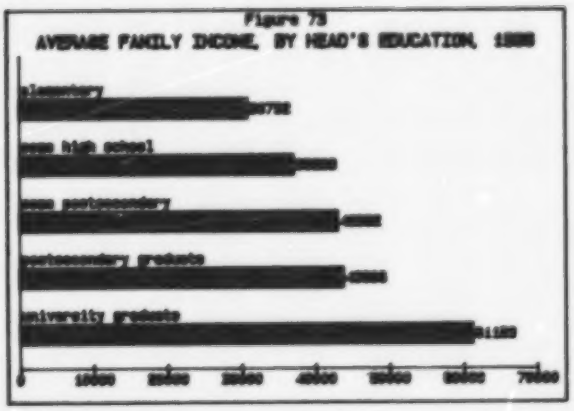
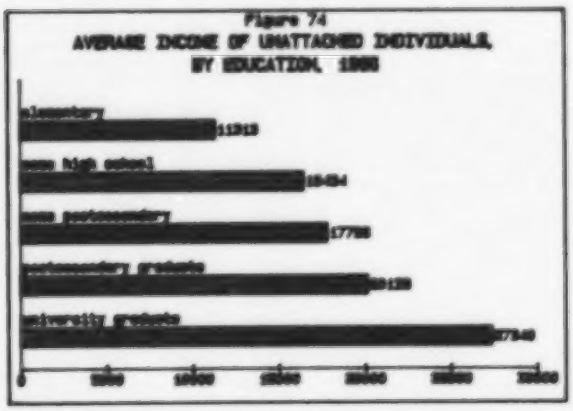


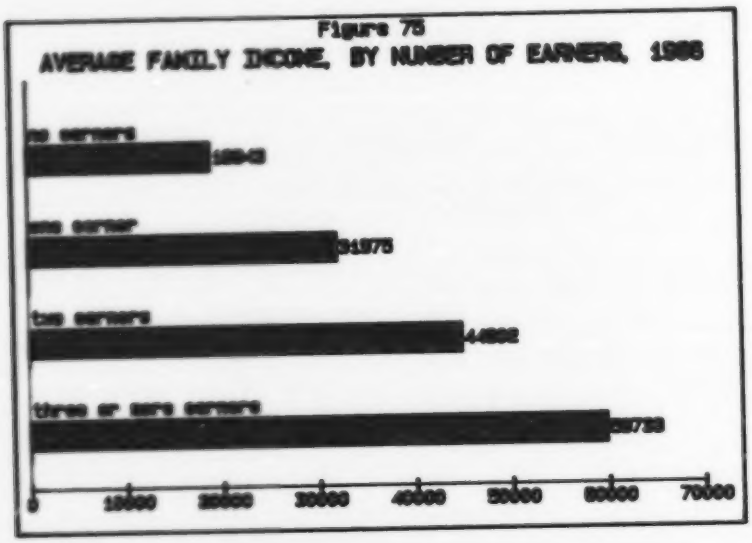
Figure 72 ranks the provinces according to the average income of unattached individuals. Newfoundland was lowest ($11,844) and British Columbia the highest ($18,948) in 1986, followed closely by Ontario at $18,894.

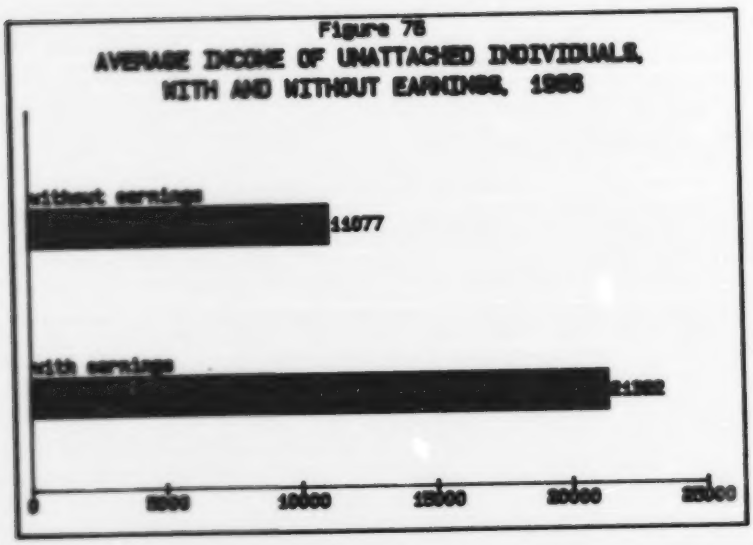




Education makes a big difference to a family's income, as shown by Figure 73. Families headed by persons with only elementary education have half the average income of families whose heads have university degrees ($30,792 as opposed to $61,183). The higher the level of schooling, the higher the average family income. Figure 74 shows a similar picture for unattached Canadians.

Figure 75 shows clearly that average family income increases as the number of earners increases, as one would expect. The differences are marked. Figure 76 illustrates a similar difference in the average incomes of unattached Canadians with and without employment earnings.





b. Earnings Trends (Tables BA and BB, Figures 77 to 80)

Women realized a substantial 51 percent real increase in their average earnings between 1967 and 1986, which is more than double the 21 percent increase in the average earnings of men during the same period. In 1967 the average Canadian woman earned less than half of what the average man earned; this ratio has improved over the years, though women still earn much less than men (only 57 percent at last count).

TABLE BA

AVERAGE EARNINGS, BY SEX, 1967-1986

	Women		Men		
	Actual	$ Constant (1986)	Actual	$ Constant (1986)	Women/ Men
1967	$ 2,454	$ 8,902	$ 5,323	$19,309	46.1%
1969	2,826	9,425	6,184	20,624	45.7
1971	3,307	9,968	7,056	21,268	46.9
1973	3,887	10,387	8,402	22,452	46.3
1975	5,200	11,307	10,815	23,516	48.1
1977	6,442	12,068	12,690	23,773	50.8
1979	7,673	12,094	14,981	23,613	51.2
1980	8,512	12,677	16,428	24,466	51.8
1981	9,653	12,279	18,159	23,098	53.2
1983	10,472	12,022	19,164	22,001	54.6
1984	11,949	12,428	20,935	21,774	57.1
1985	12,454	12,963	22,298	23,210	55.9
1986	**13,431**	13,431	**23,446**	23,446	**57.3**
Percentage Change					
1967/1986		50.9%		21.4%	
1980/1986		5.9		-4.2	
1985/1986		3.6		1.0	

Figure 77
AVERAGE EARNINGS, WOMEN AND MEN,
CONSTANT (1986) DOLLARS, 1967-1986

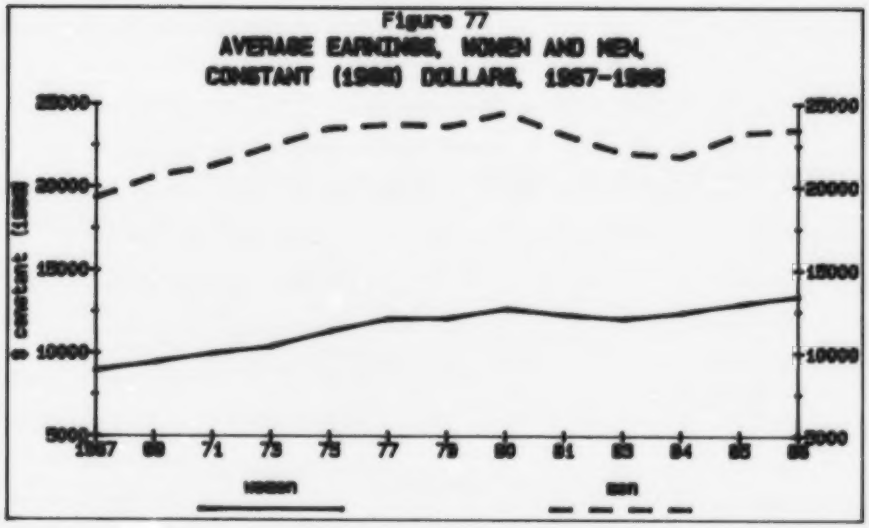
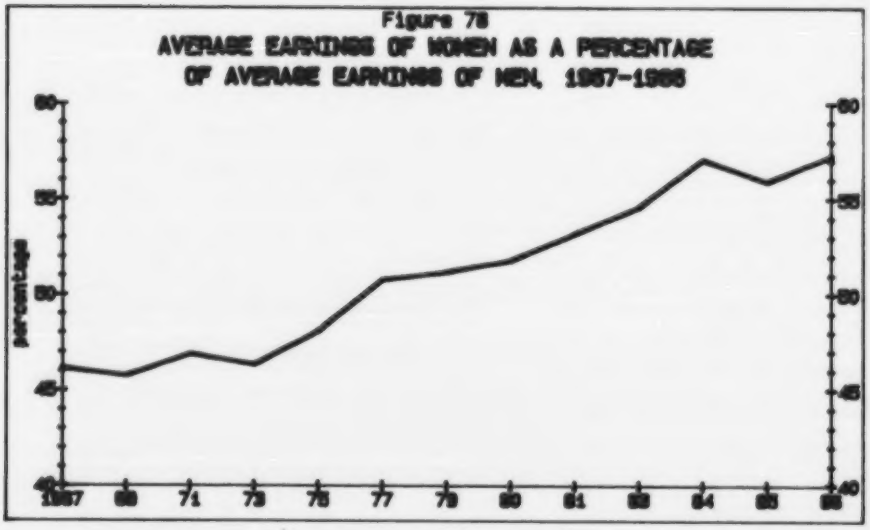


Figure 78
AVERAGE EARNINGS OF WOMEN AS A PERCENTAGE
OF AVERAGE EARNINGS OF MEN, 1967-1986



The marked difference in earnings between the sexes is not simply because more women than men work part-time. The sex differential persists even if we divide earnings into full-time and part-time, though it is less pronounced than when both categories are added together as in Table BA.

Table BB shows that women working full-time averaged 66.0 percent of men's full-time earnings in 1986, while women with part-time jobs earned 73.6 percent of their male counterparts. The earnings of full-time female workers rose substantially in real value between 1967 and 1986, while men working full-time gained less. Women working part-time enjoyed a large increase in average earnings from 1967 to 1986. Part-time working men earned a little more in 1986 ($9,883) than in 1967 ($9,656).

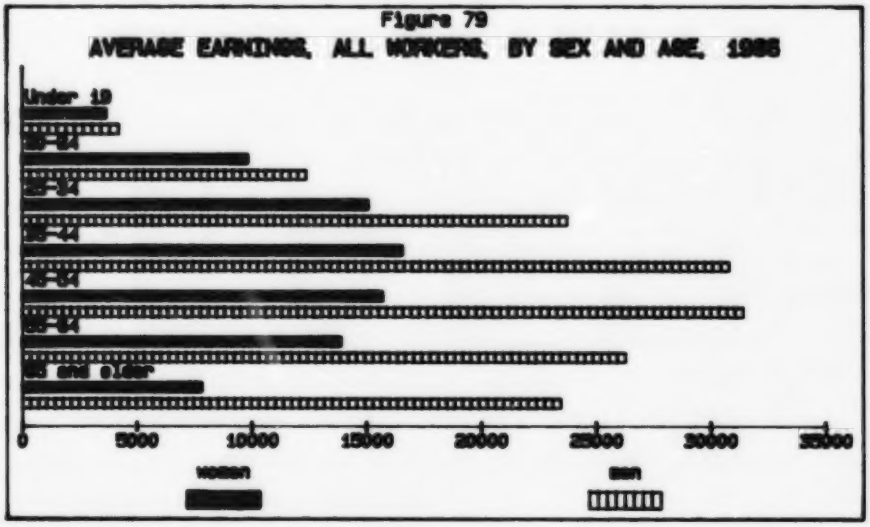
TABLE BB

AVERAGE EARNINGS, BY PART-TIME/FULL-TIME WORKER STATUS AND SEX, 1967-1986

$ Constant (1986)

	Full-Time			Part-Time		
	Women	Men	Women/Men	Women	Men	Women/Men
1967	$13,592	$23,270	58.4%	$4,882	$ 9,656	50.6%
1980	19,929	31,005	64.3	6,745	10,871	62.0
1981	19,341	30,392	63.6	7,028	11,349	61.9
1982	19,186	29,988	64.0	6,569	10,481	62.7
1984	19,634	29,961	65.5	6,907	9,945	69.5
1985	19,502	30,027	64.9	6,696	9,581	69.9
1986	**19,874**	**30,131**	**66.0**	**7,277**	**9,883**	**73.6**
Percentage Change						
1967/1986	46.2%	29.5%		49.0%	2.3%	
1980/1986	-0.3	-2.8		7.9	-9.1	
1985/1986	1.9	0.3		8.7	3.1	

Figure 79 compares the average earnings of all male and female workers in different age groups in 1985. Figure 80 looks at full-year, full-time workers in different age groups in 1985. (Data are not available for full-time women in the under-19 and over-65 age groups).



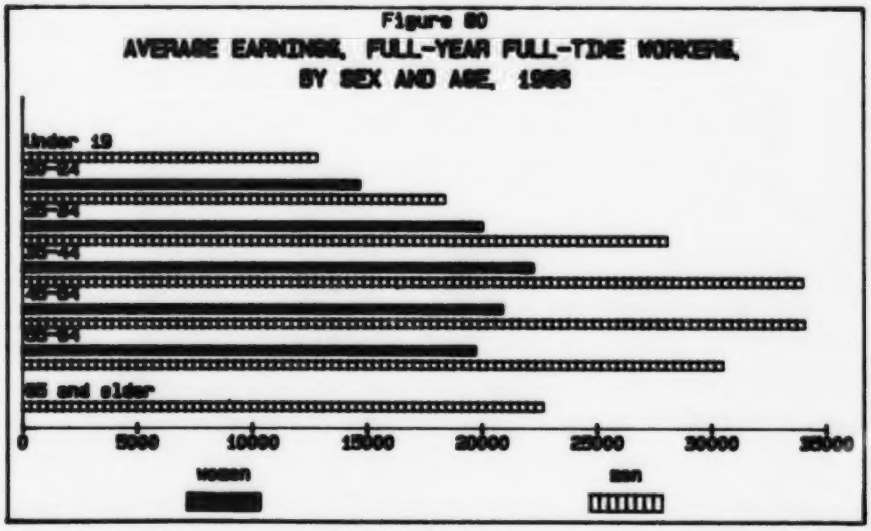


Figure 81
SHARE OF TOTAL INCOME, FAMILIES,
BY INCOME QUINTILE, 1951 AND 1986

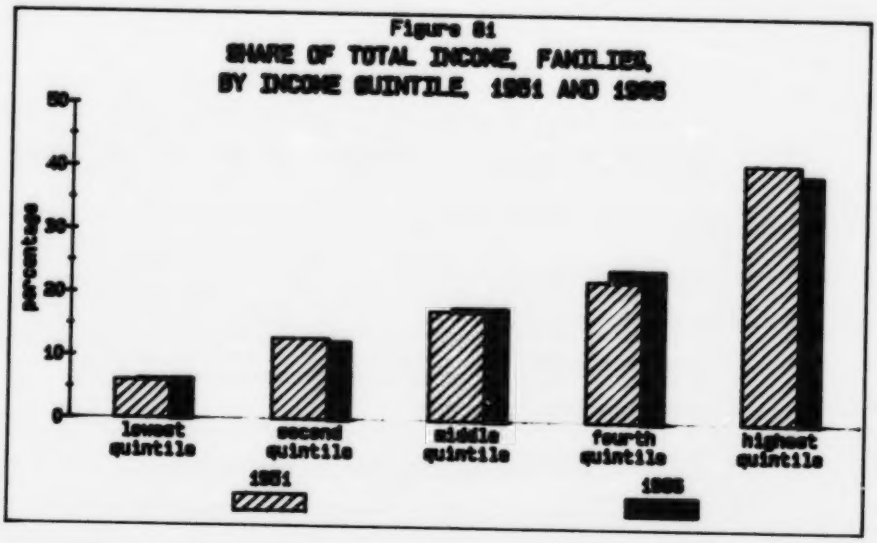
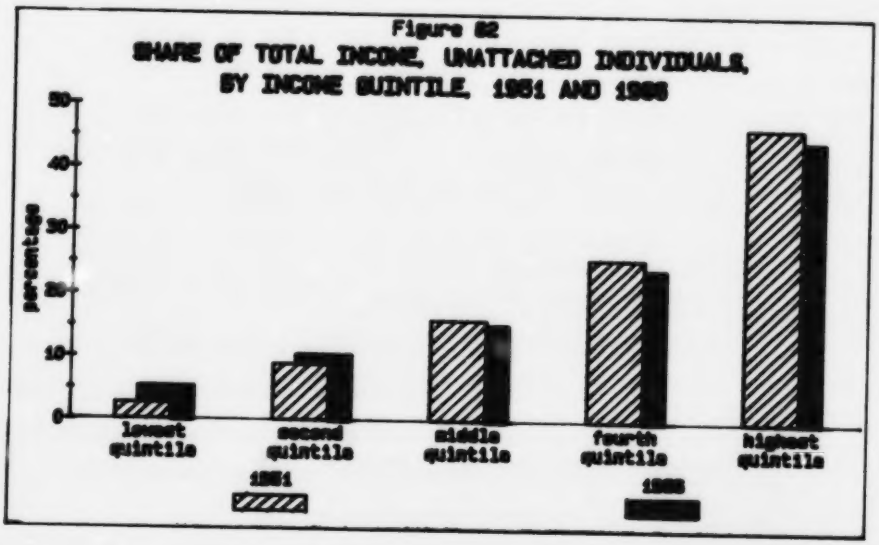


Figure 82
SHARE OF TOTAL INCOME, UNATTACHED INDIVIDUALS,
BY INCOME QUINTILE, 1951 AND 1986



THE DISTRIBUTION OF INCOME

Another way of looking at income inequality is to compare the shares of income held by Canadians in different income groups. 'Income distribution', as it is termed, is very unequal in our society and the degree of inequality has not lessened much over the years.

Table BC divides both families and unattached persons into five equal groups and then compares the share of income going to each group in 1951 and 1986. (Income includes government transfer payments such as old age pensions and social assistance; income is gross - i.e., before deductions for income taxes, Canada or Quebec Pension Plan contributions and unemployment insurance premiums). Table BD shows the income levels which correspond to each group (known as a "quintile" or fifth). Two features stand out: **income is distributed in a highly unequal and regressive manner, and there has been little progress in redistributing income over the last thirty-five years.**

Income is divided in a highly regressive manner - the higher the income group, the greater its share. Families in the lowest income group have only 6.3 percent of total family income. The highest-income families, in contrast, enjoy 39.4 percent of total family income - six times the poor group's share. The distribution of income among unattached individuals is even more skewed: the top group gets 44.7 percent of total income - eight times the bottom group's 5.3 percent share.

Nor has the unequal distribution of income improved much over the years. In 1951 the lowest-income group of families had 6.1 percent of family income; in 1986 their share was fractionally larger (6.3 percent). Middle and upper-middle income families increased their share of income a bit over the 35-year period. The top income group saw a modest decline

TABLE BC

SHARES OF TOTAL INCOME BY INCOME QUINTILE, 1951 AND 1986

	Families		Unattached Individuals	
	1951	1986	1951	1986
lowest quintile	6.1%	6.3%	2.7%	5.3%
second quintile	12.9	12.3	8.9	10.4
middle quintile	17.4	17.9	16.1	15.3
fourth quintile	22.4	24.1	25.8	24.2
highest quintile	41.1	39.4	46.6	44.7
top/bottom	6.7	6.3	17.3	8.4

Note: "Quintile" means fifth; total income is divided into five equal groups (See Table BD for corresponding income levels).

TABLE BD

UPPER LIMITS OF INCOME QUINTILES, 1986

	Families	Unattached Individuals	All Family Units
lowest quintile	$18,977	$ 7,612	$12,558
second quintile	30,500	10,686	22,836
middle quintile	41,605	16,946	34,785
fourth quintile	56,703	26,660	50,380

Note: Families in the lowest income quintile are those with incomes up to $18,977; those in the second quintile have incomes between $18,978 and $30,500; those in the middle quintile have incomes between $30,501 and $41,605; those in the fourth quintile are between $41,606 and $56,703; those in the top quintile are over $56,704.

in its share of income, though at 39.4 percent it still far exceeds the shares of other groups. The distribution of income among unattached individuals has become somewhat less extreme since 1951, but it is still more unequally apportioned than is family income.

The five lines in Figure 83 trace the share of total income going to family units (i.e., families and unattached individuals) in the various income quintiles. The lines show only minor fluctuations from 1951 to 1986.

The gap between the top and bottom income quintiles is wide and has changed little over the years. In 1986 family units in the highest income category (those with incomes over $50,380) got 43.0 percent of total income - nine times the lowest quintile's (those with incomes below $12,558) 4.7 percent share.

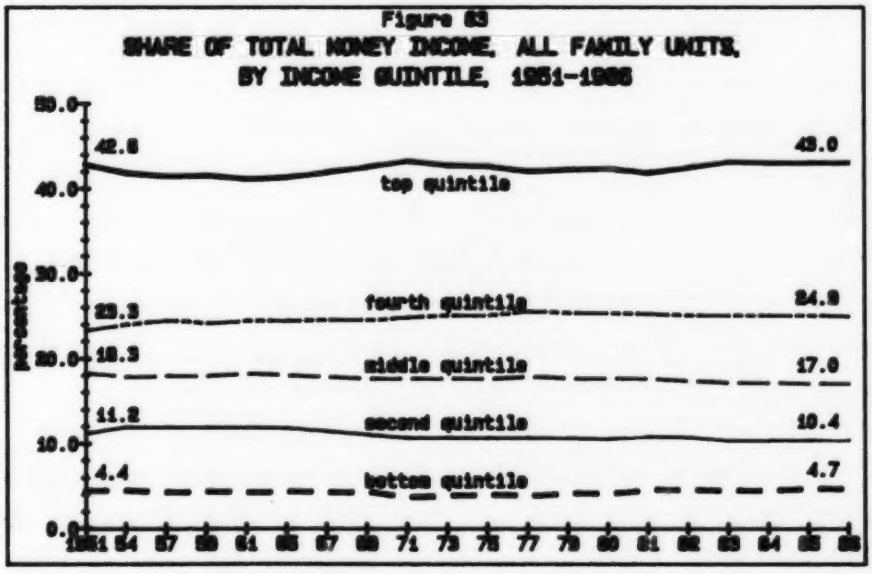


TABLE BE

SHARES OF TOTAL INCOME, BY INCOME QUINTILE, 1980-1986

Families

Quintile	1980	1981	1982	1983	1984	1985	1986
lowest	6.2%	6.4%	6.3%	6.2%	6.1%	6.3%	6.3%
second	13.0	12.9	12.6	12.3	12.3	12.3	12.3
middle	18.4	18.3	18.0	17.8	18.0	17.9	17.9
fourth	24.1	24.1	24.1	24.1	24.1	24.1	24.1
highest	38.4	38.4	38.9	39.5	39.5	39.4	39.4

Unattached Individuals

Quintile	1980	1981	1982	1983	1984	1985	1986
lowest	4.5%	5.0%	4.9%	4.8%	4.9%	5.2%	5.3%
second	9.4	9.5	9.5	9.5	9.9	10.2	10.4
middle	15.5	15.7	15.4	14.5	15.2	15.0	15.3
fourth	25.7	25.1	24.9	24.2	24.6	24.2	24.2
highest	44.9	44.7	45.4	47.1	45.4	45.4	44.7

Table BE looks at recent trends in the distribution of income. From 1981 to 1984 families in the lowest income group received a steadily declining share of income, though their share improved in 1985. Families in the second quintile saw their share drop from 13.0 percent in 1980 to 12.3 percent in 1986. Families in the middle quintile have a smaller share now (17.9 percent) than at the start of the decade (18.4 percent). Those in the fourth quintile had the same share of income each year between 1980 and 1986. Families in the top income group had a larger share in 1986 (39.4 percent) than in 1980 (38.4 percent).

Unattached individuals in the bottom income group also saw their share of income dwindle each year from 1981 to 1983, though it improved in 1984 and 1985. Those in the second quintile got more in 1986

(10.4 percent) than in 1980 (9.4 percent). Unattached individuals in the middle and upper income categories received similar share of income in 1980 and 1986.

The gap between the rich and poor would be even wider were it not for government transfer programs and income taxes. Table BF shows the distribution of income before and after taxes and transfers for 1985, the most recent year for which figures are available. Figures 84 and 85 illustrate the findings.

TABLE BF

THE IMPACT OF TAXES AND TRANSFERS ON THE DISTRIBUTION OF INCOME, 1985

Families

Quintile	Income Before Transfers	Total Money Income	Income After Tax
lowest	2.5%	6.3%	7.2%
second	10.9	12.3	13.3
middle	18.1	17.9	18.3
fourth	25.6	24.1	23.8
highest	42.9	39.4	37.3
top/bottom	17.2	6.3	5.1

Unattached Individuals

Quintile	Income Before Transfers	Total Money Income	Income After Tax
lowest	0.1%	5.2%	6.1%
second	4.5	10.2	11.7
middle	14.2	15.0	16.2
fourth	27.3	24.2	24.1
highest	54.0	45.4	42.0
top/bottom	540.0	8.7	6.9

Figure 84

EFFECT OF TRANSFERS AND TAXES ON THE DISTRIBUTION OF INCOME, FAMILIES, 1985

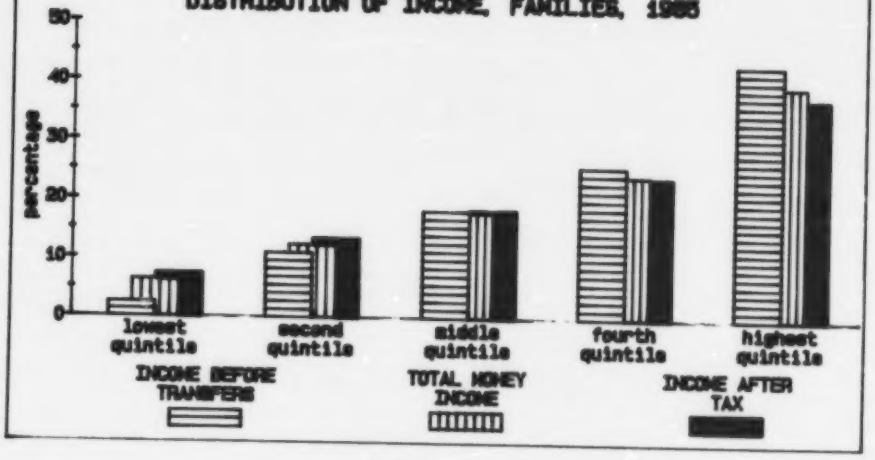
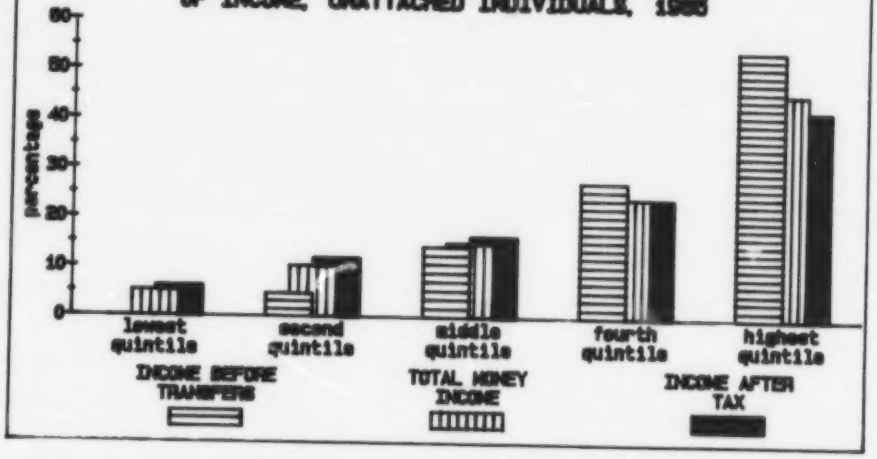


Figure 85

EFFECT OF TRANSFERS AND TAXES ON THE DISTRIBUTION OF INCOME, UNATTACHED INDIVIDUALS, 1985

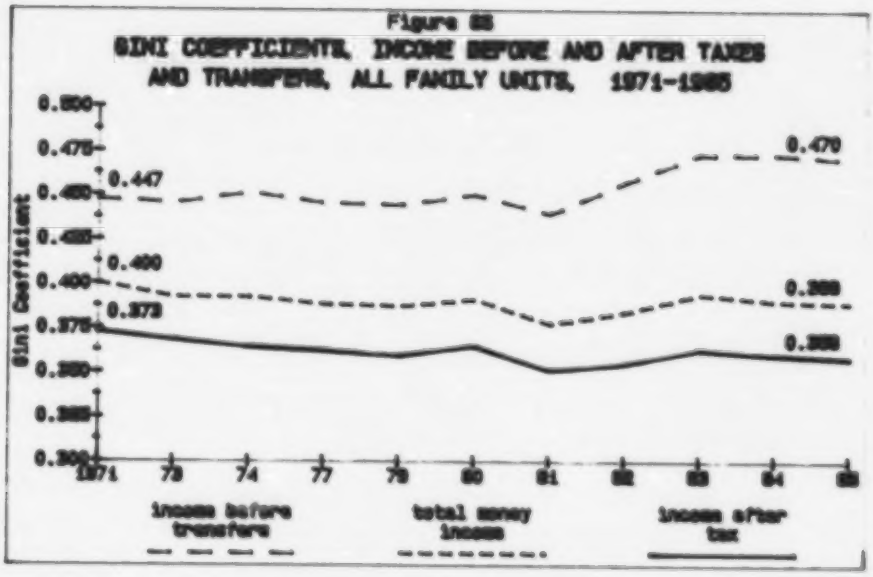


The first column indicates that families in the lowest income group got only 2.5 percent of total family income in 1985. Once income from government programs - e.g., old age pensions, family allowances, the child tax credit, unemployment insurance, provincial tax credits - is taken into account, families in the bottom two quintiles increase their share of total income, while those in the middle and upper levels receive less than before. Factor in the impact of federal and provincial income taxes, and low and middle-income families come out ahead while those in the top two quintiles get somewhat smaller shares.

The results are similar for unattached individuals. Government transfers are essential to unattached individuals in the lowest income group, many of whom are pensioners who depend on Old Age Security, the Guaranteed Income Supplement and (where offered) provincial income supplements.

On the other hand, **taxes and transfers clearly have a limited redistributive impact.** Even after paying income tax, families in the highest quintile receive five times the share of those in the bottom group, while upper-income unattached Canadians enjoy seven times the share of those in the lowest income category.

There is evidence that the recession increased income inequality, although taxes and transfers offset this trend. Figure 86 shows "Gini Coefficients" for three definitions of income between 1971 and 1985. The Gini Coefficient is a measure of income inequality - the higher the result, the more unequally income is distributed. Figure 86 looks at all family units (i.e., families and unattached individuals together).



The top line plots the Gini Coefficients for income before income taxes and government transfers from 1971 to 1985 - i.e., for income from earnings, investments and other sources before government gives through social programs and takes through income taxes. The line curved upward from 1981 (when the recession began) to 1983, indicating growing income inequality. The Gini Coefficient for 1985 (0.470) was higher than 1971 (0.447), which means that income from the market is more unequally distributed today than at the beginning of the 'seventies.

The middle line gives the Gini Coefficients for income including government transfer payments such as welfare and unemployment insurance. The results are lower (0.389 in 1985) than for pre-transfer income, indicating that income security benefits lessen income inequality to some extent. Income taxes also reduce income inequality, though not as much as transfer payments.

Although pre-tax/transfer income was **more** unequally distributed in 1985 than in 1971, income after transfers was slightly **less** unequally distributed (0.389 in 1985 as opposed to 0.400 in 1971) as was income after taxes and transfers (0.358 in 1985, 0.373 in 1971). **Government - by means of social programs and income taxes - helped mitigate the growing inequality of income caused by the recession of the early 'eighties.**

SUMMARY

Poverty in Canada decreased during the 'seventies, rose substantially during the first part of the 'eighties as a result of the recession, and declined again in 1985 and 1986. At last count (1986):

* 3,689,000 or 14.9 percent of women, men and children in this country live below the poverty line.

* 851,000 or 12.3 percent of all families and 982,000 or 34.3 percent of unattached Canadians have low incomes.

* Newfoundland has the highest poverty rates (22.8 percent of all Newfoundlanders, 21.1 percent of the province's families and 49.1 percent of its unattached individuals are poor). Ontario has the lowest poverty rates - 10.8 percent of all persons in the province, 8.7 percent of families and 28.3 percent of the unattached live on low incomes.

* Four in ten Canadian families headed by women (38.7 percent) are poor compared to only one in ten families (9.0 percent) led by men.

* 38.5 percent of unattached women and 29.2 percent of unattached men are under the poverty line.

* There are over a million poor children (1,016,000) under age 16 in Canada, which comes to 17.6 percent of the total or one child in six.

* Of the total 1,016,000 low-income children, 610,400 or 60.1 percent live in two-parent families; 361,000 or 35.5 percent are in single-parent families headed by women; and the remaining 44,600 or 4.4 percent are in families led by single fathers.

* Newfoundland has the highest incidence of child poverty (26.8 percent of children under age 16 are poor) and Ontario the lowest (13.4 percent).

* The poverty rate for children in female-led one-parent families ranges from a high of 76.4 percent in New Brunswick to a 'low' of 49.8 percent in Prince Edward Island.

* The risk of poverty is much higher for large families: 21.5 percent of families with three or more children are poor compared to 16.4 percent of those with one child, 15.2 percent for those with two children to support and only 8.5 percent of childless couples.

* More than half of single-parent families headed by women - 56.0 percent in 1986 - have low incomes in contrast to two in ten male-led one-parent families (22.9 percent) and only one in ten couples with children (10.4 percent).

* Poverty is widespread among young Canadians: 30.2 percent of families with heads under age 25 and 47.7 percent of unattached individuals under 25 have low incomes.

* Poverty had declined significantly among elderly Canadians, particularly those who live in families. The poverty rate for families with aged heads declined from 41.4 percent in 1969 to 14.2 percent in 1980 and just 9.5 percent in 1986. While the risk of poverty for the unattached elderly is still high - 42.7 percent had low incomes in 1986 - their poverty rate was much worse at the beginning of the decade (61.5 percent in 1980).

* Poverty among unattached elderly women, most of them widows, remains a serious problem: close to half (46.1 percent) of unattached women over age 65 are poor compared to 31.9 percent of unattached aged men.

* The risk of poverty is clearly linked to education. Just 4.2 percent of families headed by a person with a university degree live below the poverty line compared to 14.4 percent with only high school education and 16.7 percent of families led by those with only elementary schooling. The poverty rate for unattached individuals ranges from 53.5 percent for those with only elementary education to 15.8 percent for those who graduated from university.

* More than half of low-income families are working poor: 55.7 percent are headed by someone in the labor force and 26.7 percent by a year-round worker. By contrast, most poor unattached individuals (61.1 percent) are not in the labor force, which is not surprising since many are elderly.

* The risk of poverty is strongly linked to attachment to the labor force. Only 9.0 percent of families with heads in the labor force are poor compared to 23.3 percent of those whose heads are not in the labor force. The risk of poverty for unattached individuals is twice as high for those outside the labor force as those in the labor force (52.5 percent versus 22.3 percent).

* The more weeks worked by the family head, the better the odds. The poverty rate is 42.2 percent for families whose heads work only one to nine weeks compared to just 5.2 percent for those who work 49 weeks or more.

* Families whose heads work part-time are five times more likely to be poor than those led by full-time workers (21.7 percent as opposed to 4.8 percent). Almost half of unattached individuals (48.2 percent) who work part-time are under the poverty line compared to only 8.7 percent of full-time workers.

* Families whose heads were out of work at some point in 1986 were twice as likely to be poor as those in which no member was unemployed; the respective poverty rates were 25.6 percent and 10.5 percent.

* As expected, the risk of poverty is dramatically lower for families with more than one earner. The poverty rates are 33.8 percent for those with no earner, 19.2 percent for those with one earner, 5.3 percent for those with two earners and a mere 2.9 percent for families with three or more earners.

* Families headed by immigrants have a lower poverty rate than those with heads born in Canada - 11.6 percent as opposed to 12.5 percent. However unattached immigrants have a higher poverty rate than native-born unattached individuals (38.7 percent and 3.5 percent, respectively).

* Renters have higher poverty rates than homeowners. The poverty rates are 7.3 percent for families which own their homes and 25.6 percent for families which rent; 24.4 percent of unattached homeowners have low incomes as opposed to 38.0 percent of those who rent.

The report also looks at the makeup of the low-income population. Among the major findings:

* There has been a 'feminization of poverty' in the sense that women face a much higher risk of poverty than men and make up a larger percentage of the poor. More than half (56.1 percent) of all low-income Canadians are female; 56.4 percent of low-income persons between the ages of 16 and 64 are women; 71.7 percent of the elderly poor are women; women constitute the overwhelming majority (82.3 percent) of the unattached aged with low incomes.

* Women comprise a larger proportion of the low-income population than of the population in general. In 1986 women represented 56.1 percent of low-income Canadians and 50.8 percent of all persons in this country. They accounted for 71.7 percent of the elderly poor as opposed to 57.3 percent of all the aged.

* The feminization of family poverty is a significant long-term trend, but it has **not** increased during the 'eighties. The percentage of low-income families headed by women rose from 13.2 percent in 1961 to 35.4 percent in 1980; however the percentage has not increased any further since - in fact it was slightly lower in 1986 (35.1 percent) than at the beginning of the decade. Most low-income families (64.9 percent) are still headed by men.

* There has been no further feminization of poverty among the unattached. Women have always accounted for the majority of unattached individuals with low incomes and their share in 1986 (61.6 percent) was little changed from 1961 (62.0 percent).

* Young people make up a rising proportion of the poverty population, while the opposite is the case for the elderly. The percentage of low-income families led by under-25s doubled from 5.0 percent in 1969 to 10.3 percent in 1986, whereas the percentage of poor families with heads 65 and older declined dramatically from 29.6 percent in 1969 to 14.0 percent in 1986. In 1969, 19.6 percent of the low-income unattached were under 25 and fully 50.1 percent 65 and older; in 1986, 22.3 percent were under 25 and 34.2 percent 65 or older.

* Poor families which rely on government transfer payments (such as old age pensions, unemployment insurance and social assistance) for the major part of their income rose from 43.0 percent in 1969 to 55.5 percent in 1986, with a corresponding decline in the proportion that count employment earnings as their chief source of income (from 50.9 percent in 1969 to 37.8 percent in 1986). However the proportion of unattached poor who get most of their income from government transfers changed little between 1969 (57.8 percent) and 1986 (58.1 percent).

* More than half of all families (53.4 percent) now have no children; only one-third (36.7 percent) of poor families are childless.

* The shares of families and singles have changed significantly over the years. Unattached Canadians now make up a larger percentage of both the low-income and general populations. However the unattached figure more prominently among the poor: 53.6 percent of low-income family units are unattached compared to only 29.3 percent of all family units.

The income trends are similar to the poverty trends. Average incomes increased significantly during the 'seventies, fell in the early 'eighties and improved in 1985 and 1986:

* Expressed in 1986 dollars, average family income went from $29,772 in 1969 to $40,356 in 1986 - a substantial one-third (35.6 percent) real increase over 17 years.

* Families led by men have enjoyed somewhat larger income increases than families headed by women. The average income of male-led families rose by 38 percent from 1969 ($30,739) to 1986 ($42,450), whereas the average income of female-led families went up by 33 percent over the same period (from $17,876 in 1969 to $23,774 in 1986). The income gap between men and women who head families has not decreased over the years; the average income of female-headed families was 58 percent of that of male-led families in 1969 and only 55 percent in 1986.

* The trends are different for the unattached. Unattached women saw a 43 percent real increase in their average income from 1969 to 1986, compared to only 27 percent for unattached men. The average income of unattached women as a percentage of that of unattached men rose from 69 percent in 1969 to 77 percent in 1986.

* Two-parent families averaged $44,919 in 1986 - two-and-a-half times the $17,353 average income of single-parent families headed by women.

* Single-parent families headed by women who work have low average incomes ($19,027 in 1986), but they fare far better than those who are not in the paid labor force ($10,140). Most of the latter are on welfare.

* Young families' average income was little better in 1986 ($23,410) than in 1969 ($23,002) and in fact over $5,600 less than in 1980 ($29,018). By contrast, the average income of elderly families increased by a hefty 57 percent between 1969 ($18,309) and 1986 ($28,732).

* The income gap between poor and affluent families has not narrowed over the years. In 1986 families in the top income group averaged $79,501 - six times the $12,712 average of families in the lowest category.

* The income gap between poor and well-off unattached individuals has decreased over time, though it is still very wide. In 1969 affluent unattached Canadians averaged 12 times the income of the low-income unattached. In 1986 those in the top group averaged $39,224 or eight times the bottom group's $4,651.

* Average family income in 1986 ranged widely from $29,446 in Newfoundland to $45,078 in Ontario. By contrast, Newfoundland families ranked highest in average transfer payments from government ($7,236 in 1986) while Ontario families came last ($3,530).

* Newfoundland has the lowest average income for unattached individuals ($11,844 in 1986) while British Columbia comes first ($18,948), followed closely by Ontario ($18,894).

* Average income is clearly linked to the number of earners in the family. Families with only one earner averaged $31,975 in 1986; those with two earners, $44,802; those with three or more earners, $59,733.

Women have fared better in terms of earnings trends, though there is still a wide gap between the sexes:

* Women's average earnings went from $8,902 in 1967 to $13,431 in 1986 - a sizable 50.9 percent real increase. Men's average earnings rose from $19,309 in 1967 to $23,446 in 1986 - a 21.4 percent real increase. The ratio of female to male earnings rose from 46.1 percent in 1967 to 57.3 percent in 1986.

* Women who work full-time year-round averaged $19,874 in 1986 - 66.0 percent of the $30,131 for full-time male workers. Women employed part-time averaged $7,277 or 73.6 percent of men's $9,883.

Income is distributed in a very unequal manner and there has been little progress in reducing the gap between the rich and the poor. However, social programs and the income tax system have prevented the income gulf from widening even further:

* Families in the top income group have 39.4 percent of total money income - six times the poor group's 6.3 percent share. The gap is even wider for unattached individuals: those in the highest category have 44.7 percent of all money income or eight times the bottom group's 5.3 percent share.

* In 1951 poor families got 6.1 percent of family income; in 1986 their share was virtually unchanged at 6.3 percent. Families in the top group saw a modest decline in their share of family income from 41.1 percent in 1951 to 39.4 percent in 1986.

* The distribution of income among unattached Canadians is less extreme today than in the past. Those at the bottom of the income ladder have improved their share somewhat from 2.7 percent in 1951 to 5.3 percent in 1986, whereas the unattached at the top got 46.6 percent in 1951 and 44.7 percent in 1986.

* The gap between rich and poor would be even wider were it not for income transfer programs and income taxes. In 1985 families in the lowest income group got only 2.5 percent of income before taxes and transfers, whereas those in the top group received 42.9 percent of total market income. Income transfers such as the Canada and Quebec Pension Plans, family allowances, unemployment insurance and workers' compensation brought low-income families' share up to 6.3 percent and affluent families' share down to 39.4 percent. Once federal and provincial income taxes are factored in, poor families' share of income increased to 7.2 percent whereas families in the top income group decreased to 37.3 percent.

* Unattached individuals in the lowest income group got a mere 0.1 percent of income before taxes and transfers, whereas those in the top category enjoyed 54.0 percent of the total. However, social programs and income taxes increased the poor group's share to 6.1 percent and reduced the affluent group's share to 42.0 percent in 1985, the most recent year for which data is available.

* The recession of the early 'eighties widened the gap between rich and poor as measured by income shares from the marketplace. Families in the bottom group saw their share of income before transfers decline from 3.3 percent in 1981 to 2.2 percent in 1984, whereas those in the highest group increased their share from 40.8 percent in 1981 to 43.2 percent in 1984. However government intervention into the economy through social programs and income taxes mitigated the growing income inequality caused by high unemployment, so that after-tax income shares changed little between 1981 and 1985.

APPENDIX

STATISTICS CANADA REVISED LOW INCOME CUT-OFFS

Family Size	Community Size: 500,000 and over	100,000 - 499,999	30,000 - 99,999	Less Than 30,000	Rural
			1986		
1	10,651	10,116	9,490	8,774	7,877
2	14,053	13,339	12,445	11,546	10,295
3	18,799	17,815	16,650	15,488	13,785
4	21,663	20,588	19,246	17,903	15,936
5	25,243	23,902	22,290	20,768	18,531
6	27,571	26,049	24,349	22,647	20,231
7 or more	30,347	28,735	26,856	24,975	22,290
			1987		
1	11,120	10,561	9,908	9,160	8,224
2	14,671	13,926	12,993	12,054	10,748
3	19,626	18,599	17,383	16,169	14,392
4	22,616	21,494	20,093	18,691	16,637
5	26,354	24,954	23,271	21,682	19,346
6	28,784	27,195	25,420	23,643	21,121
7 or more	31,682	29,999	28,038	26,074	23,271
			1988*		
1	11,564	10,984	10,304	9,526	8,553
2	15,258	14,483	13,512	12,536	11,178
3	20,411	19,343	18,078	16,816	14,967
4	23,521	22,354	20,897	19,438	17,303
5	27,408	25,952	24,202	22,549	20,120
6	29,935	28,283	26,437	24,589	21,966
7 or more	32,950	31,199	29,159	27,117	24,202

* Estimates by National Council of Welfare.

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